

Introduced by Committee on Budget and Fiscal Review

January 9, 2015

~~An act relating to the Budget Act of 2015.~~ *An act to amend Sections 2574, 2575, 8238, 8239, 8263.1, 8265, 8265.5, 8335, 8335.1, 8335.2, 8335.4, 8357, 8447, 10554, 17070.75, 41202, 41203.1, 41207.3, 41976, 42238, 42238.02, 42238.03, 44235, 47614.5, 48000, 49430.5, 51745.6, 52052, 52064.5, 52501.5, 52616, 53011, and 84830 of, to add Sections 41207.41, 60212, and 84920 to, to add Chapter 16.5 (commencing with Section 53070) to Part 28 of Division 4 of Title 2 of, to add Article 9 (commencing with Section 84900) to Chapter 5 of Part 50 of Division 7 of Title 3 of, and to repeal Sections 8335.5, 8335.7, and 84908 of, the Education Code, to amend Sections 17581.6 and 17581.8 of, and to add Section 17581.9 to, the Government Code, to amend Sections 33607.5 and 33607.7 of the Health and Safety Code, and to amend Section 11 of Chapter 325 of the Statutes of 2012, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

SB 77, as amended, Committee on Budget and Fiscal Review. ~~Budget Act of 2015.~~ *Education finance: education omnibus trailer bill.*

(1) Existing law provides supplemental funding to qualifying California state preschool classrooms, and requires a part-day preschool program to provide parenting education and to provide staff development for teachers in participating classrooms as a condition of receiving funds.

This bill would include within the meaning of parenting education for these purposes improving parental knowledge of local resources for the identification of and services for developmental disabilities, and would include as part of staff development the development of improved behavioral strategies and the provision of interventions for young children to improve kindergarten readiness.

(2) Existing law provides for income eligibility standards for families to receive child care and development services. Existing law provides that “income eligible,” for purposes of the Child Care and Development Services Act, means that a family’s adjusted monthly income is at or below 70% of the state median income, adjusted for family size, and adjusted annually. Notwithstanding this provision, existing law sets the income eligibility limits for the 2014–15 fiscal year at 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.

This bill would set the income eligibility limits for the 2015–16 fiscal year at 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.

(3) Existing law requires the Superintendent of Public Instruction to implement a plan that establishes reasonable child care standards and assigned reimbursement rates, and sets the standard reimbursement rate at \$9,024.75 per unit of average daily enrollment for a 250-day year. Commencing with the 2015–16 fiscal year, existing law requires that rate to be increased by the cost-of-living adjustment granted by the Legislature annually.

This bill would set the standard reimbursement rate at \$9,572.50, and the full-day state preschool reimbursement rate at \$9,632.50, per unit of average daily enrollment for a 250-day year and, commencing with the 2016–17 fiscal year, would require that rate to be increased by the cost-of-living adjustment granted by the Legislature annually.

(4) Existing law applies various adjustment factors to specified programs, including programs for infants and toddlers, for which reimbursement rates are at or below the standard reimbursement rate, as provided.

This bill would provide that these adjustment factors shall apply to those full-day state preschool programs for which assigned reimbursement rates are above the full-day state preschool reimbursement rate.

(5) Existing law, the Child Care and Development Services Act, administered by the State Department of Education, requires the

Superintendent of Public Instruction to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age. Existing law authorizes the City and County of San Francisco, until July 1, 2016, and as a pilot project, to develop and implement an individualized county child care subsidy plan, requires the city and county, on or before December 31, 2014, to submit a final report to the Legislature and other specified entities that summarizes the impact of the plan, requires the city and county to phase out the plan and implement the state's requirements for child care subsidies as of July 1, 2018, and provides for the repeal of those provisions on January 1, 2019.

This bill would authorize the City and County of San Francisco to implement the individualized county child care subsidy plan indefinitely and would make conforming changes. The bill would make legislative findings and declarations regarding the need for special legislation for the City and County of San Francisco.

(6) Existing law provides that the cost of child care services provided for CalWORKs recipients is governed by regional market rates, and establishes regional market rate ceilings for each region at the greater of either the 85th percentile of the 2009 regional market rate survey for that region, reduced by 10.11%, or the 85th percentile of the 2005 regional market rate survey for that region.

This bill would, commencing October 1, 2015, increase the regional market rate ceilings established for each region by 4.5%. The bill would provide that, effective October 1, 2015, reimbursement to license-exempt child care providers shall not exceed 65% of the established regional market rate. The bill would require, commencing October 1, 2015, the regional market rate ceilings for all counties to be increased by 4.5%.

(7) Existing law establishes the Educational Telecommunication Fund, moneys in which are available for expenditure upon appropriation for specified purposes relating to establishing telecommunication standards for state, county, and local educational agencies. Existing law provides for the deposit in the fund of the amount of any offset made to certain apportionments upon a specified finding, and limits the maximum amount that may be annually deposited in the fund from the offset to \$15,000,000.

This bill would repeal the provisions relating to the deposit of moneys into the fund.

(8) Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school

districts prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. The act requires the board to require applicant school districts that receive funding under the act to establish a restricted account within the general fund of the school district for the exclusive purpose of providing moneys for ongoing and major maintenance of school buildings, and to agree to deposit into that account in each fiscal year for 20 years after receipt of funds under the act a minimum amount equal to or greater than 3% of the total general fund expenditures of the applicant school district for that fiscal year.

This bill would require the board to require applicant school districts to instead deposit into the account, for the 2015–16 and 2016–17 fiscal years, a minimum amount that is the lesser of 3% of the total general fund expenditures for that fiscal year or the amount that the school district deposited into the account in the 2014–15 fiscal year. For the 2017–18 to 2019–20 fiscal years, inclusive, the bill would require the board to require applicant school districts to instead deposit into the account a minimum amount that is the greater of (1) the lesser of 3% of the total general fund expenditures for that fiscal year or the amount that the school district deposited into the account in the 2014–15 fiscal year or (2) 2% of the total general fund expenditures of the applicant school district for that fiscal year. The bill would make the existing minimum amount deposit requirement applicable to school districts that received an amount equal to or greater than 10% of state school facilities funds in specified prior years only under certain circumstances. The bill would specify that funds in the account may be used for drought mitigation purposes related to the implementation of a certain executive order of the Governor. The bill would also delete obsolete provisions.

(9) Section 8 of Article XVI of the California Constitution sets forth a formula for computing the minimum amount of revenues that the state is required to appropriate for the support of school districts and community college districts for each fiscal year. Existing law provides that “General Fund revenues appropriated for school districts and community college districts, respectively” and “moneys to be applied by the state for the support of school districts and community college districts,” for purposes of that computation, include funds appropriated for part-day California state preschool programs and the After School Education and Safety Program.

This bill would provide that those funds appropriated to local educational agencies to create a full day of care for children participating in the California state preschool program are also “General Fund revenues appropriated for school districts and community college districts, respectively” and “moneys to be applied by the state for the support of school districts and community college districts” for purposes of that computation.

(10) Existing law requires, for the 1990–91 fiscal year and each fiscal year thereafter, that moneys to be applied by the state for the support of school districts, community college districts, and direct elementary and secondary level instructional services provided by the state be distributed in accordance with certain calculations governing the proration of those moneys among the 3 segments of public education. Existing law makes that provision inapplicable to the 1992–93 to 2014–15 fiscal years, inclusive.

This bill would also make that provision inapplicable to the 2015–16 fiscal year.

(11) Existing law declares the minimum state education funding obligation for school districts and community college districts for the 2006–07 fiscal year is \$55,251,266,000, with an outstanding balance of \$211,533,000. Existing law, commencing with the 2015–16 fiscal year, requires the Legislature to appropriate the outstanding balance, as specified.

This bill would appropriate \$256,000,000 from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of offsetting the entire 2006–07 outstanding balance referenced above, and offsetting the 2009–10 outstanding balance of the minimum funding obligation to school districts and community college districts, as specified.

(12) Existing law authorizes the governing board of a school district maintaining secondary schools to establish and maintain classes for adults, as specified. Existing law authorizes specified classes and courses to be offered by school districts and county superintendents of schools for apportionment purposes from the adult education fund, including, among other subject matters, classes and courses for adult education programs for apprentices.

This bill would instead authorize for purposes of apportionments from the adult education fund programs offering pre-apprenticeship training activities conducted in coordination with one or more

apprenticeship programs approved by the Division of Apprenticeship Standards for the occupation and geographic area.

(13) Existing law requires funding pursuant to the local control funding formula to include, in addition to a base grant, supplemental and concentration grant add-ons that are based on the total percentage of English language learners, pupils eligible for free or reduced-price meals, and foster youth served by county superintendents of schools, school districts, and charter schools. Existing law requires the Superintendent of Public Instruction to subtract certain amounts, including amounts from certain redevelopment revenues that are paid to these local educational agencies, from their base grants.

Existing law provides, in calculating each community college district's revenue level for each fiscal year, that the Board of Governors of the California Community Colleges shall subtract, from the total revenues otherwise owed to the community college districts, certain amounts, including certain redevelopment-related revenues that are allocated to community college districts and, for purposes of community college district revenue levels, that are considered property tax revenues.

This bill would revise the provisions of the local control funding formula for county offices of education, school districts, and charter schools, and the provisions for a community college district's revenue levels, that address the treatment of these redevelopment funds, as specified, including authorizing the expenditure of a portion of those funds for land acquisition, facility construction, reconstruction, remodeling, maintenance, or deferred maintenance.

(14) Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, and requires funds received for specified pupil transportation programs to be included as part of the formula.

This bill would revise specified calculations for home-to-school transportation joint powers agencies that received certain apportionments in the 2012–13 fiscal year by authorizing the joint powers agencies to identify and transfer the entitlement to that funding, commencing with the 2015–16 fiscal year, to member local educational agencies, and would require the Superintendent of Public Instruction to add those amounts to the member local educational agencies' local control funding formula allocations, as specified.

(15) This bill would require the Superintendent of Public Instruction to reduce any home-to-school transportation funding of the county local

control funding formula allocated to the Los Angeles County Superintendent of Schools by \$2,785,448, and would require the Superintendent of Public Instruction to increase the home-to-school transportation funding of the school district local control funding formula for specified school districts in specified amounts.

(16) Existing law provides for the levying of fees by the Commission on Teacher Credentialing for the issuance and renewal of teaching and service credentials, not to exceed \$70.

This bill would increase the maximum amount of the fee from \$70 to \$100.

(17) Existing law requires the California School Finance Authority to administer the Charter School Facility Grant Program, and provides that the grant program is intended to provide assistance with facilities rent and lease costs for pupils in charter schools. Existing law provides that a charter schoolsite is eligible for funding under this provision if the charter schoolsite is located in the attendance area of a public elementary school in which 70% or more of the pupil enrollment is eligible for free or reduced-price meals, or if 70% of the pupil enrollment at the charter schoolsite is eligible for free or reduced-price meals, as measured using prior year data. Existing law further specifies that the grant program is to be expanded by reducing the 70% threshold if funds remain after eligible charter schools meeting the 70% requirement are funded.

This bill would reduce the eligibility threshold to participate in the grant program from 70% to 55%. The bill would provide that a new charter school that was not operational in the prior year shall be eligible in the current year if it meets the free or reduced-price meal eligibility requirements based on current year data. The bill would delete the provisions providing for the expansion of the program specified above.

(18) Existing law authorizes a school district or charter school to maintain a transitional kindergarten program, and, as a condition of receipt of apportionments for pupils in a transitional kindergarten program, requires the school district or charter school to comply with specified minimum age requirements for pupils participating in the transitional kindergarten program, including, for the 2014–15 school year and each school year thereafter, that the school district or charter school admit a child who will have his or her 5th birthday between September 2 and December 2. Existing law also specifies that a transitional kindergarten program shall not be construed as a new program or higher level of service.

Existing law requires funding pursuant to the local control funding formula to include, in addition to a base grant, supplemental and concentration grant add-ons that are based on the percentage of certain categories of pupils, known as unduplicated pupils, served by the county superintendent of schools, school district, or charter school. Existing law includes among unduplicated pupils, a pupil who is classified as an English learner, eligible for a free or reduced-price meal, or a foster youth, as defined, and requires county superintendents of schools, school districts, and charter schools to submit and report data relating to these pupils.

This bill would, for the 2015–16 school year and each school year thereafter, authorize a school district or charter school, at any time during the school year, to admit a child to a transitional kindergarten program who will have his or her 5th birthday after December 2 but during that same school year if certain conditions are met. The bill would prohibit a pupil admitted to a transitional kindergarten program pursuant to that provision from generating average daily attendance, or being included in the enrollment or unduplicated pupil count pursuant to the local control funding formula, until the pupil has attained his or her 5th birthday.

(19) Existing law sets the reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools at \$0.2248 per meal, and for meals served in child care centers and homes, at \$0.1674 per meal.

This bill would increase the reimbursement rate for elementary, middle, and high schools to \$0.2271 per meal, and, for meals served in child care centers and homes, would increase the reimbursement rate to \$0.1691 per meal.

(20) Existing law requires the ratio of average daily attendance for independent study pupils 18 years of age or less to full-time equivalent certificated employees responsible for independent study, for the applicable grade span, as specified, not to exceed a specified ratio.

This bill would delete grade spans as factors in the computation of the ratios.

(21) Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to develop an Academic Performance Index, as specified, to measure the performance of schools and school districts. Existing law requires schools and school districts to demonstrate comparable improvement in academic achievement as measured by the Academic Performance Index by all

numerically significant pupil subgroups at the school or school district, including ethnic subgroups, socioeconomically disadvantaged pupils, English learners, pupils with disabilities, and foster youth.

This bill would add homeless youth to the list of numerically significant pupil subgroups designated in this provision and would specify that, for a subgroup of pupils who are homeless youth, a numerically significant pupil subgroup is one that consists of at least 15 pupils. To the extent that this bill would impose new duties on schools and school districts, it would constitute a state-mandated local program.

(22) Existing law requires the State Board of Education, on or before October 1, 2015, to adopt evaluation rubrics to, among other things, assist a school district, county office of education, or charter school in evaluating its strengths, weaknesses, and areas that require improvement.

This bill would instead require the state board to adopt evaluation rubrics on or before October 1, 2016.

(23) Existing law prohibits the expenditure of revenue derived from the average daily attendance of adult education programs for other than adult education purposes.

This bill would authorize the expenditure of revenue derived from average daily attendance pursuant to the local control funding formula for adult education programs.

(24) Existing law requires the State Department of Education to administer the California Career Pathways Trust as a competitive grant program for kindergarten and grades 1 to 14, inclusive.

This bill would specify that funds appropriated in Item 6110-280-0001 of the Budget Act of 2014 for the Career Technical Education Pathways Grant Program shall be available for expenditure in the 2014–15 fiscal year to the 2016–17 fiscal year, inclusive.

(25) Existing law authorizes secondary schools and postsecondary educational institutions to offer instruction in career technical education.

This bill would establish the California Career Technical Education Incentive Grant Program, under the administration of the State Department of Education, as a state education and economic and workforce development initiative with the goal of providing pupils in kindergarten and grades 1 to 12, inclusive, with the knowledge and skills necessary to transition to employment and postsecondary education. The bill would establish criteria for the award of grants to school districts, county offices of education, charter schools, or regional

occupational centers or programs operated by joint powers authorities under these provisions. The bill would appropriate specified amounts from the General Fund in the 2015–16, 2016–17, and 2017–18 fiscal years to the department for the award of grants.

(26) Existing law establishes a process for the adoption of instructional materials, including instructional materials related to history-social science, for use in public elementary and secondary schools.

This bill would, for purposes of adopting basic instructional materials for history-social science, require the State Department of Education to provide notice of the imposition of a fee, as specified, to all publishers and manufacturers known to produce basic instructional materials in history-social science. The bill would require that each publisher or manufacturer choosing to participate in the textbook adoption process be assessed a fee based on the number of programs the publisher or manufacturer indicates will be submitted for review and the number of grade levels proposed to be covered by each program.

(27) Existing law requires the Chancellor of the California Community Colleges and the State Department of Education, pursuant to funding made available in the annual Budget Act, to jointly provide 2-year planning and implementation grants to regional consortia of community college districts and school districts for developing regional plans to better serve the educational needs of adults. Existing law requires the grant funds provided under this program to be used by each regional consortium to create and implement a plan to better provide adults in its region with certain skills, classes, courses, and programs, including, among other things, programs for apprentices.

This bill would instead require the plan to better provide adults in the region with programs offering pre-apprenticeship training activities, as specified. To the extent that this bill would impose new duties on school districts and community college districts that participate in these regional consortia, it would constitute a state-mandated local program.

(28) Existing law provides that adult schools and evening high schools shall consist of classes for adults. Existing law authorizes minors to be admitted into those classes pursuant to policies adopted by the governing board of the school district if those minors meet certain eligibility requirements.

Existing law requires the Chancellor of the California Community Colleges and the State Department of Education, pursuant to funding made available in the annual Budget Act, to jointly provide 2-year

planning and implementation grants to regional consortia of community college districts and school districts for developing regional plans to better serve the educational needs of adults.

This bill would establish the Adult Education Block Grant Program under the administration of the Chancellor of the California Community Colleges and the Superintendent of Public Instruction. The bill would require the chancellor and the Superintendent, with the advice of the Executive Director of the State Board of Education, to divide the state into adult education regions and approve one adult education consortium in each adult education region, as specified.

The bill would require the chancellor and the Superintendent, with the advice of the executive director, to approve, for each consortium, rules and procedures that adhere to prescribed conditions. The bill would require that, as a condition for the receipt of an apportionment of funds from this program for a particular fiscal year, members of a consortium to have approved an adult education plan, as specified.

The bill, for the 2015–16 fiscal year, would require the chancellor and the Superintendent, with the concurrence of the executive director, to approve a schedule of allocations, and to apportion funds, to each consortium in accordance with prescribed calculations. The bill, for the 2016–17 fiscal year and each fiscal year thereafter, would require the chancellor and the Superintendent, with the advice of the executive director, to approve, within 15 days of the annual Budget Act and in accordance with prescribed criteria, a final schedule of allocations to each consortium under the program.

The bill would require the chancellor and the Superintendent to submit to the Director of Finance, the State Board of Education, and the Legislature, no later than January 31, 2016, a plan approved by the chancellor and the Superintendent to distribute funds from specified federal programs to the consortia for purposes of the program proposed in this bill. The bill would also require the chancellor and the Superintendent to submit an annual report including specified data about the use of funds for the program and the outcomes for adults statewide and in each adult education region.

This bill would, to the extent that one-time funding is made available in the Budget Act of 2015 for its purposes, require the chancellor and the Superintendent to identify common measures for determining the effectiveness of the members of each consortium in meeting the educational needs of adults, as specified. The bill would require the chancellor and the Superintendent to submit to the Director of Finance,

the State Board of Education, and the appropriate fiscal and policy committees of the Legislature, no later than November 1, 2015, a report of its progress in this regard.

The bill would require that 85% of the funds appropriated for purposes of these provisions be used for grants to consortia to establish systems or obtain data necessary to submit as required pursuant to a specified statute, and that 15% of the funds appropriated for purposes of these provisions be used for grants for development of statewide policies and procedures related to data collection or reporting or for technical assistance to consortia, or both.

(29) Existing law requires certain funds appropriated in the annual Budget Act for reimbursement for the cost of a new program or increased level of service of an existing program mandated by statute or executive order to be available as a block grant to school districts, charter schools, and county offices of education, to support specified state-mandated local programs. Existing law provides that a school district, charter school, or county office of education that submits a letter requesting funding to the Superintendent of Public Instruction and receives this block grant funding is not eligible to submit a claim for reimbursement for those specified mandated programs for the fiscal year in which the block grant funding is received.

This bill would revise the list of programs that are authorized for block grant funding in lieu of program-specific reimbursement, as specified.

(30) This bill, for the 2014–15 fiscal year, would appropriate \$287,149,000 from the General Fund to the Superintendent of Public Instruction for allocation to school districts, county offices of education, and charter schools, and appropriate \$49,500,000 from the General Fund to the Chancellor of the California Community Colleges for allocation to community college districts, for purposes of satisfying state-mandated local program reimbursement claims.

The bill also would appropriate \$3,098,455,000 from the General Fund to the Superintendent for allocation to school districts and county superintendents of schools, and \$604,043,000 from the General Fund to the Chancellor of the California Community Colleges for allocation to community college districts, as specified. The bill would authorize the governing boards of school districts and community college districts to expend these one-time funds for any purpose, as determined by a governing board.

(31) Existing law authorizes the Inglewood Unified School District, until June 30, 2015, to sell property owned by the school district and use the proceeds to reduce or retire a specified emergency loan.

This bill would extend the operation of those provisions to June 30, 2018. The bill would make legislative findings and declarations as to the necessity of a special statute for the Inglewood Unified School District.

(32) Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified. Existing law requires funding pursuant to the local control funding formula to include, in addition to a base grant, supplemental and concentration grant add-ons that are based on the percentage of certain categories of pupils, known as unduplicated pupils, served by the county superintendent of schools, school district, or charter school. Existing law requires the Superintendent of Public Instruction to calculate, for each county superintendent of schools, school district, and charter school, a base entitlement for the transition to the local control funding formula, and requires the Superintendent to determine the percentage of school districts that are apportioned base entitlement funding that is less than the amount calculated pursuant to the local control funding formula. If the percentage is less than 10%, existing law requires the Superintendent to apportion funding to school districts and charter schools equal to the amount calculated pursuant to the local control funding formula in that fiscal year and each fiscal year thereafter.

This bill would declare the intent of the Legislature that when the local control funding formula is fully implemented, local educational agencies shall be required to report to the Superintendent for compilation on the State Department of Education's Internet Web site (1) the amount of funds received on the basis of the number and concentration of unduplicated pupils in the current year and, to the extent available, prior fiscal years and (2) the amount of local control funding formula funds expended on services for unduplicated pupils in the current year and, to the extent available, prior fiscal years commencing with the 2013–14 fiscal year. By requiring local educational agencies to report certain information to the Superintendent, this bill would impose a state-mandated local program.

(33) This bill would require an amount to be determined by the Director of Finance to be appropriated, on or before June 30, 2016,

from the General Fund to the Superintendent of Public Instruction in the event that and up to the amount by which specified revenues distributed to local educational agencies for special education programs are less than the estimated amount reflected in the Budget Act of 2015. The bill would also require the Director of Finance to reduce the General Fund appropriation for these programs by the amount that these revenues exceed the estimated amount.

(34) This bill would require the State Department of Education to convene, by September 1, 2015, a stakeholder group, composed as specified, to provide recommendations to streamline data and other reporting requirements for child care and early learning providers that contract with the department to provide state preschool and other state subsidized child care and early learning programs, as specified.

(35) This bill would require the State Department of Education to convene, by September 1, 2015, a stakeholder group, composed as specified, to examine CalWORKs Stage 2, CalWORKs Stage 3, and alternative payment program child care contract requirements, program and fiscal audits, and the process by which contractors are informed of and implement new contract requirements, with the purpose of identifying redundancies and efficiencies in program implementation and reducing the workload in program administration, as specified.

(36) This bill would appropriate the sum of \$50,000 from the General Fund to the State Department of Education for payment of claims received in the 2013–14 and 2014–15 fiscal years pursuant to the requirements for conducting hearings relating to suspension or dismissal of certificated school employees.

(37) This bill would appropriate the sum of \$350,000 to the Superintendent of Public Instruction for support and development of evaluation rubrics for specified purposes relating to the implementation of local control and accountability plans.

(38) In the 2009–10 and 2010–11 fiscal years, for a pupil of a charter school sponsored by a basic aid school district who resided in a school district other than a basic aid school district, the Superintendent of Public Instruction was required to apportion to the sponsoring school district an amount equal to 70% of the revenue limit funding per unit of average daily attendance that would have been apportioned to the school district in which the pupil resided, as specified. However, a basic aid school district that lost basic aid status as a result of required property tax transfers to charter schools was entitled to a pro rata share of that apportionment, calculated based on the ratio between (1) the

amount of property taxes the school district would have received in excess of the revenue limit guarantee before required property tax transfers to charter schools and (2) the total amount of property taxes transferred to the charter schools that the school district sponsored.

This bill would, for the 2009–10 and 2010–11 fiscal years, require that certain allocations from the county Supplemental Educational Revenue Augmentation Fund, created in 2009 and funded with specified redevelopment agency revenues, be treated as property taxes for purposes of calculating the ratio that determined the pro rata share of the apportionment for a basic aid school district that lost its basic aid status as a result of required property tax transfers to charter schools.

(39) This bill would appropriate an additional \$2,000,000 to the amount apportioned pursuant to the local control funding formula for the Los Angeles County Office of Education for the purpose of supporting professional development and leadership training for education professionals related to antibias education and the creation of inclusive and equitable schools.

(40) This bill would specify that, of the amount allocated pursuant to a specified item in the Budget Act of 2012, \$16,549,000 shall be allocated to fund the 2010–11 fiscal year maintenance of effort in the special education program, and \$19,173,000 shall be allocated to fund the 2011–12 maintenance of effort in the special education program.

(41) This bill would appropriate the sum of \$10,000,000 from the General Fund to the Superintendent of Public Instruction on a one-time basis to apportion to a designated county office of education or two designated county offices of education applying jointly to provide technical assistance and to develop and disseminate statewide resources that encourage and assist local educational agencies and charter schools in establishing and aligning schoolwide, data-driven systems of learning and behavioral supports for the purpose of meeting the needs of California’s diverse learners in the most inclusive environments possible, as specified. The bill would provide that the designated county office of education or county offices of education shall, with the goal of maximizing their availability, efficacy, and usage across the state, identify existing evidence-based resources, professional development activities, and other efforts currently available, and develop new evidence-based resources and activities designed to help local educational agencies and charter schools across the state complete specified activities. The bill would require the designated county office of education or county offices of education, by September 30 of each

fiscal year until the designated county office of education or county offices of education have fully expended the allocated funds, to submit an annual report to the Superintendent of Public Instruction summarizing how the designated county office of education or county offices of education used the allocated funds in the prior fiscal year.

(42) This bill would appropriate the sum of \$490,000,000 from the General Fund to the Superintendent of Public Instruction to be allocated to school districts, county offices of education, charter schools, and the state special schools, as provided, for specified teacher and administrator training and professional development. The bill would appropriate the sum of \$10,000,000 from the General Fund to the Superintendent of Public Instruction to be provided to the K–12 High-Speed Network for the purpose of providing professional development and technical assistance to local educational agencies related to network management.

(43) This bill would make conforming changes, correct cross-references, and make other nonsubstantive changes.

(44) Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(45) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

(46) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2015.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2574 of the Education Code is amended
2 to read:

1 2574. For the 2013–14 fiscal year and for each fiscal year
2 thereafter, the Superintendent annually shall calculate a county
3 local control funding formula for each county superintendent of
4 schools as follows:

5 (a) Compute a county office of education operations grant equal
6 to the sum of each of the following amounts:

7 (1) Six hundred fifty-five thousand nine hundred twenty dollars
8 (\$655,920).

9 (2) One hundred nine thousand three hundred twenty dollars
10 (\$109,320) multiplied by the number of school districts for which
11 the county superintendent of schools has jurisdiction pursuant to
12 Section 1253.

13 (3) (A) Seventy dollars (\$70) multiplied by the number of units
14 of countywide average daily attendance, up to a maximum of
15 30,000 units.

16 (B) Sixty dollars (\$60) multiplied by the number of units of
17 countywide average daily attendance for the portion of countywide
18 average daily attendance, if any, above 30,000 units, up to a
19 maximum of 60,000 units.

20 (C) Fifty dollars (\$50) multiplied by the number of units of
21 countywide average daily attendance for the portion of countywide
22 average daily attendance, if any, above 60,000, up to a maximum
23 of 140,000 units.

24 (D) Forty dollars (\$40) multiplied by the number of units of
25 countywide average daily attendance for the portion of countywide
26 average daily attendance, if any, above 140,000 units.

27 (E) For purposes of this section, countywide average daily
28 attendance means the aggregate number of annual units of average
29 daily attendance within the county attributable to all school districts
30 for which the county superintendent of schools has jurisdiction
31 pursuant to Section 1253, charter schools authorized by school
32 districts for which the county superintendent of schools has
33 jurisdiction, and charter schools authorized by the county
34 superintendent of schools.

35 (4) For the 2014–15 fiscal year and each fiscal year thereafter,
36 adjust each of the rates provided in the prior year pursuant to
37 paragraphs (1), (2), and (3) by the percentage change in the annual
38 average value of the Implicit Price Deflator for State and Local
39 Government Purchases of Goods and Services for the United States,
40 as published by the United States Department of Commerce for

1 the 12-month period ending in the third quarter of the prior fiscal
2 year. This percentage change shall be determined using the latest
3 data available as of May 10 of the preceding fiscal year compared
4 with the annual average value of the same deflator for the 12-month
5 period ending in the third quarter of the second preceding fiscal
6 year, using the latest data available as of May 10 of the preceding
7 fiscal year, as reported by the Department of Finance.

8 (b) Determine the enrollment percentage of unduplicated pupils
9 pursuant to the following:

10 (1) (A) For the 2013–14 fiscal year, divide the enrollment of
11 unduplicated pupils in all schools operated by a county
12 superintendent of schools in the 2013–14 fiscal year by the total
13 enrollment in those schools in the 2013–14 fiscal year.

14 (B) For the 2014–15 fiscal year, divide the sum of the enrollment
15 of unduplicated pupils in all schools operated by a county
16 superintendent of schools in the 2013–14 and 2014–15 fiscal years
17 by the sum of the total enrollment in those schools in the 2013–14
18 and 2014–15 fiscal years.

19 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
20 divide the sum of the enrollment of unduplicated pupils in all
21 schools operated by a county superintendent of schools in the
22 current fiscal year and the two prior fiscal years by the sum of the
23 total enrollment in those schools in the current fiscal year and the
24 two prior fiscal years.

25 (D) (i) For purposes of the quotients determined pursuant to
26 subparagraphs (B) and (C), the Superintendent shall use a county
27 superintendent of schools' enrollment of unduplicated pupils and
28 total pupil enrollment in the 2014–15 fiscal year instead of the
29 enrollment of unduplicated pupils and total pupil enrollment in
30 the 2013–14 fiscal year if doing so would yield an overall greater
31 percentage of unduplicated pupils.

32 (ii) It is the intent of the Legislature to review each county office
33 of education's enrollment of unduplicated pupils for the 2013–14
34 and 2014–15 fiscal years and provide one-time funding, if
35 necessary, for a county office of education with higher enrollment
36 of unduplicated pupils in the 2014–15 fiscal year as compared to
37 the 2013–14 fiscal year.

38 (E) For purposes of determining the enrollment percentage of
39 unduplicated pupils pursuant to this subdivision, enrollment in
40 schools or classes established pursuant to Article 2.5 (commencing

1 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title
2 2 and the enrollment of pupils other than the pupils identified in
3 clauses (i) to (iii), inclusive, of subparagraph (A) of paragraph (4)
4 of subdivision (c), shall be excluded from the calculation of the
5 enrollment percentage of unduplicated pupils.

6 (F) The data used to determine the percentage of unduplicated
7 pupils shall be final once that data is no longer used in the current
8 fiscal year calculation of the percentage of unduplicated pupils.
9 This subparagraph does not apply to a change that is the result of
10 an audit that has been appealed pursuant to Section 41344.

11 (2) For purposes of this section, an “unduplicated pupil” is a
12 pupil who is classified as an English learner, eligible for a free or
13 reduced-price meal, or a foster youth. For purposes of this section,
14 the definitions in Section 42238.01 of an English learner, a pupil
15 eligible for a free or reduced-price meal, and foster youth shall
16 apply. A pupil shall be counted only once for purposes of this
17 section if any of the following apply:

18 (A) The pupil is classified as an English learner and is eligible
19 for a free or reduced-price meal.

20 (B) The pupil is classified as an English learner and is a foster
21 youth.

22 (C) The pupil is eligible for a free or reduced-price meal and is
23 classified as a foster youth.

24 (D) The pupil is classified as an English learner, is eligible for
25 a free or reduced-price meal, and is a foster youth.

26 (3) (A) Under procedures and timeframes established by the
27 Superintendent, commencing with the 2013–14 fiscal year, a county
28 superintendent of schools annually shall report the enrollment of
29 unduplicated pupils, pupils classified as English learners, pupils
30 eligible for free and reduced-price meals, and foster youth in
31 schools operated by the county superintendent of schools to the
32 Superintendent using the California Longitudinal Pupil
33 Achievement Data System.

34 (B) The Superintendent shall make the calculations pursuant to
35 this section using the data submitted through the California
36 Longitudinal Pupil Achievement Data System.

37 (C) The Controller shall include instructions, as appropriate, in
38 the audit guide required by subdivision (a) of Section 14502.1, for
39 determining if the data reported by a county superintendent of
40 schools using the California Longitudinal Pupil Achievement Data

1 System is consistent with pupil data records maintained by the
2 county office of education.

3 (c) Compute an alternative education grant equal to the sum of
4 the following:

5 (1) (A) For the 2013–14 fiscal year, a base grant equal to the
6 2012–13 per pupil undeficitated statewide average juvenile court
7 school base revenue limit calculated pursuant to Article 3
8 (commencing with Section 2550) of Chapter 12, as that article
9 read on January 1, 2013. For purposes of this subparagraph, the
10 2012–13 statewide average juvenile court school base revenue
11 limit shall be considered final as of the annual apportionment for
12 the 2012–13 fiscal year, as calculated for purposes of the
13 certification required on or before February 20, 2014, pursuant to
14 Sections 41332 and 41339.

15 (B) Commencing with the 2013–14 fiscal year, the per pupil
16 base grant shall be adjusted by the percentage change in the annual
17 average value of the Implicit Price Deflator for State and Local
18 Government Purchases of Goods and Services for the United States,
19 as published by the United States Department of Commerce for
20 the 12-month period ending in the third quarter of the prior fiscal
21 year. This percentage change shall be determined using the latest
22 data available as of May 10 of the preceding fiscal year compared
23 with the annual average value of the same deflator for the 12-month
24 period ending in the third quarter of the second preceding fiscal
25 year, using the latest data available as of May 10 of the preceding
26 fiscal year, as reported by the Department of Finance.

27 (2) A supplemental grant equal to 35 percent of the base grant
28 described in paragraph (1) multiplied by the enrollment percentage
29 calculated in subdivision (b). The supplemental grant shall be
30 expended in accordance with the regulations adopted pursuant to
31 Section 42238.07.

32 (3) (A) A concentration grant equal to 35 percent of the base
33 grant described in paragraph (1) multiplied by the greater of either
34 of the following:

35 (i) The enrollment percentage calculated in subdivision (b) less
36 50 percent.

37 (ii) Zero.

38 (B) The concentration grant shall be expended in accordance
39 with the regulations adopted pursuant to Section 42238.07.

(4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the total number of units of average daily attendance for pupils attending schools operated by a county office of education, excluding units of average daily attendance for pupils attending schools or classes established pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title 2, who are enrolled pursuant to any of the following:

(i) Probation-referred pursuant to Sections 300, 601, 602, and 654 of the Welfare and Institutions Code.

(ii) On probation or parole and not in attendance in a school.

(iii) Expelled for any of the reasons specified in subdivision (a) or (c) of Section 48915.

(B) Multiply the number of units of average daily attendance for pupils attending schools or classes established pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title 2 by the sum of the base grant calculated pursuant to paragraph (1), a supplemental grant equal to 35 percent of the base grant calculated pursuant to paragraph (1), and a concentration grant equal to 17.5 percent of the base grant calculated pursuant to paragraph (1). Funds provided for the supplemental and concentration grants pursuant to this calculation shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(C) Add the amounts calculated in subparagraphs (A) and (B).

(d) Add the amount calculated in subdivision (a) to the amount calculated in subparagraph (C) of paragraph (4) of subdivision (c).

(e) Add all of the following to the amount calculated in subdivision (d):

(1) The amount of funding a county superintendent of schools received for the 2012–13 fiscal year from funds allocated pursuant to the Targeted Instructional Improvement Block Grant program, as set forth in Article 6 (commencing with Section 41540) of Chapter 3.2 of Part 24 of Division 3 of Title 2, as that article read on January 1, 2013.

(2) (A) (i) The amount of funding a county superintendent of schools received for the 2012–13 fiscal year from funds allocated pursuant to the Home-to-School Transportation program, as set forth in *former* Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5 of Division 3 of Title 2, *former* Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of

1 Division 3 of Title 2, and the Small School District Transportation
2 program, as set forth in *former* Article 4.5 (commencing with
3 Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, as
4 those articles read on January 1, 2013.

5 (ii) *If a home-to-school transportation joint powers agency,*
6 *established pursuant to Article 1 (commencing with Section 6500)*
7 *of Chapter 5 of Division 7 of Title 1 of the Government Code for*
8 *purposes of providing pupil transportation, received an*
9 *apportionment directly from the Superintendent pursuant to Item*
10 *6110-111-0001 of Section 2.00 of the Budget Act of 2012, as*
11 *identified in clause (i) of subparagraph (A) of paragraph (2) of*
12 *subdivision (a) of Section 2575, the joint powers agency may*
13 *identify the member local educational agencies and transfer*
14 *entitlement to that funding to any of those member local*
15 *educational agencies by reporting to the Superintendent, on or*
16 *before September 30, 2015, the reassignment of a specified amount*
17 *of the joint powers agency's 2012–13 fiscal year entitlement to*
18 *the member local educational agency. Commencing with the*
19 *2015–16 fiscal year, the Superintendent shall add the reassigned*
20 *amounts to the amounts calculated pursuant to this paragraph.*

21 (B) On or before March 1, 2014, the Legislative Analyst's Office
22 shall submit recommendations to the fiscal committees of both
23 houses of the Legislature regarding revisions to the methods of
24 funding pupil transportation that address historical funding
25 inequities across county offices of education and school districts
26 and improve incentives for local educational agencies to provide
27 efficient and effective pupil transportation services.

28 (3) The difference determined by subtracting the amount
29 calculated pursuant to paragraph (1) of subdivision (c) for pupils
30 attending a school that is eligible for funding pursuant to paragraph
31 (2) of subdivision (b) of Section 42285 from the amount of funding
32 that is provided to eligible schools pursuant to Section 42284, if
33 the difference is positive.

34 SEC. 2. *Section 2575 of the Education Code is amended to*
35 *read:*

36 2575. (a) Commencing with the 2013–14 fiscal year and for
37 each fiscal year thereafter, the Superintendent shall calculate a
38 base entitlement for the transition to the county local control
39 funding formula for each county superintendent of schools based

1 on the sum of the amounts computed pursuant to paragraphs (1)
2 to (3), inclusive, as adjusted pursuant to paragraph (4):

3 (1) Revenue limits in the 2012–13 fiscal year pursuant to Article
4 3 (commencing with Section 2550) of Chapter 12, as that article
5 read on January 1, 2013, adjusted only for changes in average daily
6 attendance claimed by the county superintendent of schools for
7 pupils identified in clauses (i), (ii), and (iii) of subparagraph (A)
8 of paragraph (4) of subdivision (c) of Section 2574 and for pupils
9 attending juvenile court schools. For purposes of this paragraph,
10 the calculation of an amount per unit of average daily attendance
11 for pupils attending juvenile court schools shall be considered final
12 for purposes of this section as of the annual apportionment for the
13 2012–13 fiscal year, as calculated for purposes of the certification
14 required on or before February 20, 2014, pursuant to Sections
15 41332 and 41339. All other average daily attendance claimed by
16 the county superintendent of schools and any other average daily
17 attendance used for purposes of calculating revenue limits pursuant
18 to Article 3 (commencing with Section 2550) of Chapter 12, as
19 that article read on January 1, 2013, shall be considered final for
20 purposes of this section as of the annual apportionment for the
21 2012–13 fiscal year, as calculated for purposes of the certification
22 required on or before February 20, 2014, pursuant to Sections
23 41332 and 41339.

24 (2) The sum of all of the following:

25 (A) (i) The amount of funding received from appropriations
26 contained in Section 2.00 of the Budget Act of 2012, as adjusted
27 by Section 12.42, in the following ~~items~~: *Items*: 6110-104-0001,
28 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-111-0001,
29 6110-124-0001, 6110-128-0001, 6110-137-0001, 6110-144-0001,
30 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001,
31 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001,
32 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001,
33 6110-212-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001,
34 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001,
35 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001,
36 6110-260-0001, 6110-265-0001, 6110-266-0001, 6110-267-0001,
37 6110-268-0001, and 6360-101-0001, 2012–13 fiscal year funding
38 for the Class Size Reduction Program pursuant to Chapter 6.10
39 (commencing with Section 52120) of Part 28 of Division 4 of Title
40 2, as that chapter read on January 1, 2013, and 2012–13 fiscal year

1 funding for pupils enrolled in community day schools who are
2 mandatorily expelled pursuant to subdivision (d) of Section 48915.
3 For purposes of this subparagraph, the 2012–13 fiscal year
4 appropriations described in this subparagraph shall be considered
5 final as of the annual apportionment for the 2012–13 fiscal year,
6 as calculated for purposes of the certification required on or before
7 February 20, 2014, pursuant to Sections 41332 and 41339.

8 *(ii) If a home-to-school transportation joint powers agency,*
9 *established pursuant to Article 1 (commencing with Section 6500)*
10 *of Chapter 5 of Division 7 of Title 1 of the Government Code for*
11 *purposes of providing pupil transportation, received an*
12 *apportionment directly from the Superintendent pursuant to Item*
13 *6110-111-0001 of Section 2.00 of the Budget Act of 2012, as*
14 *identified in clause (i), the joint powers agency may identify the*
15 *member local educational agencies and transfer entitlement to*
16 *that funding to any of those member local educational agencies*
17 *by reporting to the Superintendent, on or before September 30,*
18 *2015, the reassignment of a specified amount of the joint powers*
19 *agency's 2012–13 fiscal year entitlement to the member local*
20 *educational agency. Commencing with the 2015–16 fiscal year,*
21 *the Superintendent shall add the reassigned amounts to the*
22 *amounts calculated pursuant to this paragraph. These funds shall*
23 *be subject to the requirements specified in paragraph (1) of*
24 *subdivision (k).*

25 (B) The amount of local revenues used to support a regional
26 occupational center or program established and maintained by a
27 county superintendent of schools pursuant to Section 52301.

28 (3) For the 2014–15 fiscal year and for each fiscal year
29 thereafter, the sum of the amounts apportioned to the county
30 superintendent of schools pursuant to subdivision (f) in all prior
31 years.

32 (4) The revenue limit amount determined pursuant to paragraph
33 (1) shall be increased by the difference determined by subtracting
34 the amount provided per unit of average daily attendance in
35 paragraph (1) for pupils attending a school that is eligible for
36 funding pursuant to paragraph (2) of subdivision (b) of Section
37 42285 from the amount of funding that was provided to eligible
38 schools in the 2012–13 fiscal year pursuant to Sections 42284 and
39 42238.146, as those sections read on January 1, 2013.

1 (b) The Superintendent shall annually compute a county local
2 control funding formula transition adjustment for each county
3 superintendent of schools as follows:

4 (1) Subtract the amount computed pursuant to subdivision (a)
5 from the amount computed pursuant to subdivision (e) of Section
6 2574. A difference of less than zero shall be deemed to be zero.

7 (2) Divide the difference for each county superintendent of
8 schools calculated pursuant to paragraph (1) by the total sum of
9 the differences for all county superintendents of schools calculated
10 pursuant to paragraph (1).

11 (3) Multiply the proportion calculated for each county
12 superintendent of schools pursuant to paragraph (2) by the amount
13 of funding specifically appropriated for purposes of subdivision
14 (f). The amount calculated shall not exceed the difference for the
15 county superintendent of schools calculated pursuant to paragraph
16 (1).

17 (c) The Superintendent shall subtract from the amount calculated
18 pursuant to subdivision (a) the sum of each of the following:

19 (1) Local property tax revenues received pursuant to Section
20 2573 in the then current fiscal year.

21 (2) Any amounts that the county superintendent of schools was
22 required to maintain as restricted and not available for expenditure
23 in the 1978–79 fiscal year as specified in the second paragraph of
24 subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978,
25 as amended by Chapter 51 of the Statutes of 1979.

26 (3) The amount received pursuant to subparagraph (C) of
27 paragraph (3) of subdivision (a) of Section 33607.5 of the Health
28 and Safety Code that is considered property taxes pursuant to that
29 section.

30 (4) The amount, if any, received pursuant to Sections 34177,
31 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
32 Code.

33 (5) The amount, if any, received pursuant to subparagraph (B)
34 of paragraph (3) of subdivision (e) of Section 36 of Article XIII
35 of the California Constitution.

36 (d) The Superintendent shall subtract from the amount computed
37 pursuant to subdivision (e) of Section 2574 the sum of the amounts
38 computed pursuant to paragraphs (1) to (5), inclusive, of
39 subdivision (c).

1 (e) The Superintendent shall annually apportion to each county
2 superintendent of schools the amount calculated pursuant to
3 subdivision (c) unless the amount computed pursuant to subdivision
4 (c) is negative. If the amount computed is negative, except as
5 provided in subdivision (f), an amount of property tax of the county
6 superintendent of schools equal to the negative amount shall be
7 deemed restricted and not available for expenditure during the
8 fiscal year. In the following fiscal year, that amount, excluding
9 any amount of funds used for purposes of subdivision (f), shall be
10 considered restricted local property tax revenue for purposes of
11 subdivision (a) of Section 2578. State aid shall not be apportioned
12 to the county superintendent of schools pursuant to this subdivision
13 if the amount computed pursuant to subdivision (c) is negative.

14 (f) (1) The Superintendent shall apportion, from an
15 appropriation specifically made for this purpose, the amount
16 computed pursuant to subdivision (b), or, if the amount computed
17 pursuant to subdivision (c) is negative, the sum of the amounts
18 computed pursuant to subdivisions (b) and (c) if the sum is greater
19 than zero.

20 (2) The Superintendent shall apportion any portion of the
21 appropriation made for purposes of paragraph (1) that is not
22 apportioned pursuant to paragraph (1) pursuant to the following
23 calculation:

24 (A) Add the amount calculated pursuant to subdivision (b) to
25 the amount computed pursuant to subdivision (a) for a county
26 superintendent of schools.

27 (B) Subtract the amount computed pursuant to subparagraph
28 (A) from the amount computed pursuant to subdivision (e) of
29 Section 2574 for the county superintendent of schools.

30 (C) Divide the difference for the county superintendent of
31 schools computed pursuant to subparagraph (B) by the sum of the
32 differences for all county superintendents of schools computed
33 pursuant to subparagraph (B).

34 (D) Multiply the proportion computed pursuant to subparagraph
35 (C) by the unapportioned balance in the appropriation. That product
36 shall be the county superintendent of schools' proportion of total
37 need.

38 (E) Apportion to each county superintendent of schools the
39 amount calculated pursuant to subparagraph (D), or if subdivision
40 (c) is negative, apportion the sums of subdivisions (b) and (c) and

1 subparagraph (D) of this subdivision if the sum is greater than
2 zero.

3 (F) The Superintendent shall repeat the computation made
4 pursuant to this paragraph, accounting for any additional amounts
5 apportioned after each computation, until the appropriation made
6 for purposes of paragraph (1) is fully apportioned.

7 (G) The total amount apportioned pursuant to this subdivision
8 to a county superintendent of schools shall not exceed the
9 difference for the county superintendent of schools calculated
10 pursuant to paragraph (1) of subdivision (b).

11 (H) For purposes of this paragraph, the proportion of need that
12 is funded from any appropriation made specifically for purposes
13 of this subdivision in the then current fiscal year shall be considered
14 fixed as of the second principal apportionment for that fiscal year.
15 Adjustments to a county superintendent of schools' total need
16 computed pursuant to subparagraph (D) after the second principal
17 apportionment for the then current fiscal year shall be funded based
18 on the fixed proportion of need that is funded for that fiscal year
19 pursuant to this subdivision, and shall be continuously appropriated
20 pursuant to Section 14002.

21 (g) (1) For a county superintendent of schools for whom, in the
22 2013–14 fiscal year, the amount computed pursuant to subdivision
23 (c) is less than the amount computed pursuant to subdivision (d),
24 in the first fiscal year following the fiscal year in which the sum
25 of the apportionments computed pursuant to subdivisions (e) and
26 (f) is equal to, or greater than, the amount computed pursuant to
27 subdivision (d) of this section, the Superintendent shall apportion
28 to the county superintendent of schools the amount computed in
29 subdivision (d) in that fiscal year and each fiscal year thereafter
30 instead of the amounts computed pursuant to subdivisions (e) and
31 (f).

32 (2) For a county superintendent of schools for whom, in the
33 2013–14 fiscal year, the amount computed pursuant to subdivision
34 (c) is greater than the amount computed pursuant to subdivision
35 (d), in the first fiscal year in which the amount computed pursuant
36 to subdivision (c) would be less than the amount computed pursuant
37 to subdivision (d), the Superintendent shall apportion to the county
38 superintendent of schools the amount computed in subdivision (d)
39 in that fiscal year and each fiscal year thereafter instead of the
40 amounts computed pursuant to subdivisions (e) and (f).

(3) In each fiscal year, the Superintendent shall determine the percentage of county superintendents of schools that are apportioned funding that is less than the amount computed pursuant to subdivision (d), as of the second principal apportionment of the fiscal year. If the percentage is less than 10 percent, the Superintendent shall apportion to those county superintendents of schools funding equal to the amount computed in subdivision (d) in that fiscal year and for each fiscal year thereafter instead of the amounts calculated pursuant to subdivisions (e) and (f).

(4) Commencing with the first fiscal year after the apportionments in paragraph (3) are made, the adjustments in paragraph (4) of subdivision (a) of Section 2574 and subparagraph (B) of paragraph (1) of subdivision (c) of Section 2574 shall be made only if an appropriation for those purposes is included in the annual Budget Act.

(5) If the calculation pursuant to subdivision (d) is negative and the Superintendent apportions to a county superintendent of schools the amount computed pursuant to subdivision (d) pursuant to paragraph (1), (2), or (3) of this subdivision, an amount of property tax of the county superintendent of schools equal to the negative amount shall be deemed restricted and not available for expenditure during that fiscal year. In the following fiscal year the restricted amount shall be considered restricted local property tax revenue for purposes of subdivision (a) of Section 2578.

(h) Commencing with the 2013–14 fiscal year, the Superintendent shall apportion to a county superintendent of schools an amount of state aid, including any amount apportioned pursuant to subdivisions (f) and (g), that is no less than the amount calculated in subparagraph (A) of paragraph (2) of subdivision (a).

(i) (1) For the 2013–14 and 2014–15 fiscal years only, a county superintendent of schools who, in the 2012–13 fiscal year, from any of the funding sources identified in paragraph (1) or (2) of subdivision (a), received funds on behalf of, or provided funds to, a regional occupational center or program joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing instruction to pupils enrolled in grades 9 to 12, inclusive, shall not redirect that funding for another purpose unless otherwise authorized by law or pursuant to an agreement between the regional occupational center or program

1 joint powers agency and the contracting county superintendent of
2 schools.

3 (2) For the 2013–14 and 2014–15 fiscal years only, if a regional
4 occupational center or program joint powers agency established
5 in accordance with Article 1 (commencing with Section 6500) of
6 Chapter 5 of Division 7 of Title 1 of the Government Code for
7 purposes of providing instruction to pupils enrolled in grades 9 to
8 12, inclusive, received, in the 2012–13 fiscal year, an
9 apportionment of funds directly from any of the funding sources
10 identified in subparagraph (A) of paragraph (2) of subdivision (a),
11 the Superintendent shall apportion that same amount to the regional
12 occupational center or program joint powers agency.

13 (j) For the 2013–14 and 2014–15 fiscal years only, a county
14 superintendent of schools who, in the 2012–13 fiscal year, from
15 any of the funding sources identified in paragraph (1) or (2) of
16 subdivision (a), received funds on behalf of, or provided funds to,
17 a home-to-school transportation joint powers agency established
18 in accordance with Article 1 (commencing with Section 6500) of
19 Chapter 5 of Division 7 of Title 1 of the Government Code for
20 purposes of providing pupil transportation shall not redirect that
21 funding for another purpose unless otherwise authorized by law
22 or pursuant to an agreement between the home-to-school
23 transportation joint powers agency and the contracting county
24 superintendent of schools.

25 (k) (1) In addition to subdivision (j), of the funds a county
26 superintendent of schools receives for home-to-school
27 transportation programs, the county superintendent of schools shall
28 expend, pursuant to *former* Article 2 (commencing with Section
29 39820) of Chapter 1 of Part 23.5 of Division 3 of Title 2, *former*
30 Article 10 (commencing with Section 41850) of Chapter 5 of Part
31 24 of Division 3 of Title 2, and the Small School District
32 Transportation program, as set forth in *former* Article 4.5
33 (commencing with Section 42290) of Chapter 7 of Part 24 of
34 Division 3 of Title 2, *as those articles read on January 1, 2013*,
35 no less for those programs than the amount of funds the county
36 superintendent of schools expended for home-to-school
37 transportation in the 2012–13 fiscal year.

38 (2) For the 2013–14 and 2014–15 fiscal years only, if a
39 home-to-school transportation joint powers agency established in
40 accordance with Article 1 (commencing with Section 6500) of

Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation received, in the 2012–13 fiscal year, an apportionment of funds directly from the Superintendent from any of the funding sources identified in subparagraph (A) of paragraph (2) of subdivision (a), the Superintendent shall apportion that same amount to the home-to-school transportation joint powers agency.

(3) For the 2013–14 and 2014–15 fiscal years only, of the funds a county superintendent of schools receives for purposes of regional occupational centers or programs, or adult education, the county superintendent of schools shall expend no less for each of those programs than the amount of funds the county superintendent of schools expended for purposes of regional occupational centers or programs, or adult education, respectively, in the 2012–13 fiscal year. For purposes of this paragraph, a county superintendent of schools may include expenditures made by a school district within the county for purposes of regional occupational centers or programs so long as the total amount of expenditures made by the school districts and the county superintendent of schools equals or exceeds the total amount required to be expended for purposes of regional occupational centers or programs pursuant to this paragraph and paragraph (7) of subdivision (a) of Section 42238.03.

(l) The funds apportioned pursuant to this section and Section 2574 shall be available to implement the activities required pursuant to Article 4.5 (commencing with Section 52060) of Chapter 6.1 of Part 28 of Division 4 of Title 2.

SEC. 3. Section 8238 of the Education Code is amended to read:

8238. As a condition of receipt of funds pursuant to Section 8238.4, a participating part-day preschool program shall coordinate the provision of all of the following:

(a) Opportunities for parents and legal guardians to work with their children on interactive literacy activities. For purposes of this subdivision, “interactive literacy activities” means activities in which parents or legal guardians actively participate in facilitating the acquisition by their children of prereading skills through guided activities such as shared reading, learning the alphabet, and basic vocabulary development.

(b) Parenting education for parents and legal guardians of children in participating classrooms to support the development

1 by their children of literacy skills. Parenting education shall
2 include, but not be limited to, instruction in all of the following:

3 (1) Providing support for the educational growth and success
4 of their children.

5 (2) Improving parent-school communications and parental
6 understanding of school structures and expectations.

7 (3) Becoming active partners with teachers in the education of
8 their children.

9 (4) *Improving parental knowledge of local resources for the*
10 *identification of and services for developmental disabilities,*
11 *including, but not limited to, contact information for school district*
12 *special education referral.*

13 (c) Referrals, as necessary, to providers of instruction in adult
14 education and English as a second language in order to improve
15 the academic skills of parents and legal guardians of children in
16 participating classrooms.

17 (d) Staff development for teachers in participating classrooms
18 that includes, but is not limited to, all of the following:

19 (1) Development of a pedagogical knowledge, including, but
20 not limited to, improved instructional *and behavioral* strategies.

21 (2) Knowledge and application of developmentally appropriate
22 assessments of the prereading skills of children in participating
23 classrooms.

24 (3) Information on working with families, including the use of
25 onsite coaching, for guided practice in interactive literacy activities.

26 (4) *Providing targeted interventions for all young children to*
27 *improve kindergarten readiness upon program completion.*

28 SEC. 4. Section 8239 of the Education Code is amended to
29 read:

30 8239. (a) The Superintendent shall encourage state preschool
31 program applicants or contracting agencies to offer full-day
32 services through a combination of part-day preschool slots and
33 wraparound general child care and development programs. In order
34 to facilitate a ~~full-day~~ full day of services, all of the following shall
35 apply:

36 ~~(a)~~

37 (1) Part-day preschool programs provided pursuant to this
38 section shall operate between 175 and 180 days.

39 ~~(b)~~

(2) Wraparound general child care and development programs provided pursuant to this section may operate a minimum of 246 days per year unless the child development contract specified a lower minimum days of operation. Part-day general child care and development programs may operate a ~~full-day~~ *full day* for the remainder of the year after the completion of the preschool program.

(e)

(3) Part-day preschool services combined with wraparound child care services shall be reimbursed at ~~no more than the full-day standard reimbursement~~ *a base rate for general child care programs with adjustment factors, determined pursuant to Section 8265 and as determined in the annual Budget Act, using adjustment factors pursuant to Section 8265.5.*

(d)

(4) Three- and four-year-old children are eligible for wraparound child care services to supplement the part-day California state preschool program if the family meets at least one of the criteria specified in paragraph (1) of subdivision (a) of Section 8263, and the parents meet at least one of the criteria specified in paragraph (2) of subdivision (a) of Section 8263.

(e)

(b) For purposes of this section, “wraparound child care services” and “wraparound general child care and development programs” mean services provided for the remaining portion of the day or remainder of the year following the completion of part-day preschool services that are necessary to meet the child care needs of parents eligible pursuant to subdivision (a) of Section 8263. These services shall be provided consistent with the general child care and development programs provided pursuant to Article 8 (commencing with Section 8240).

SEC. 5. Section 8263.1 of the Education Code is amended to read:

8263.1. (a) For purposes of this chapter, “income eligible” means that a family’s adjusted monthly income is at or below 70 percent of the state median income, adjusted for family size, and adjusted annually.

(b) Notwithstanding any other law, for the 2011–12 fiscal year, the income eligibility limits that were in effect for the 2007–08 fiscal year shall be reduced to 70 percent of the state median

1 income that was in use for the 2007–08 fiscal year, adjusted for
2 family size, effective July 1, 2011.

3 (c) Notwithstanding any other law, for the ~~2012–13~~ 2012–13,
4 ~~2013–14, 2014–15, and 2015–16~~ fiscal year, years, the income
5 eligibility limits shall be 70 percent of the state median income
6 that was in use for the 2007–08 fiscal year, adjusted for family
7 size.

8 ~~(d) Notwithstanding any other law, for the 2013–14 fiscal year,~~
9 ~~the income eligibility limits shall be 70 percent of the state median~~
10 ~~income that was in use for the 2007–08 fiscal year, adjusted for~~
11 ~~family size.~~

12 ~~(e) Notwithstanding any other law, for the 2014–15 fiscal year,~~
13 ~~the income eligibility limits shall be 70 percent of the state median~~
14 ~~income that was in use for the 2007–08 fiscal year, adjusted for~~
15 ~~family size.~~

16 ~~(f)~~
17 (d) The income of a recipient of federal supplemental security
18 income benefits pursuant to Title XVI of the federal Social Security
19 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program
20 benefits pursuant to Title XVI of the federal Social Security Act
21 and Chapter 3 (commencing with Section 12000) of Part 3 of
22 Division 9 of the Welfare and Institutions Code shall not be
23 included as income for purposes of determining eligibility for child
24 care under this chapter.

25 *SEC. 6. Section 8265 of the Education Code is amended to*
26 *read:*

27 8265. (a) The Superintendent shall implement a plan that
28 establishes reasonable standards and assigned reimbursement rates,
29 which vary with the length of the program year and the hours of
30 service.

31 (1) Parent fees shall be used to pay reasonable and necessary
32 costs for providing additional services.

33 (2) When establishing standards and assigned reimbursement
34 rates, the Superintendent shall confer with applicant agencies.

35 (3) The reimbursement system, including standards and rates,
36 shall be submitted to the Joint Legislative Budget Committee.

37 (4) The Superintendent may establish any regulations he or she
38 deems advisable concerning conditions of service and hours of
39 enrollment for children in the programs.

1 (b) The standard reimbursement rate shall be nine thousand
2 ~~twenty-four~~ *five hundred seventy-two* dollars and ~~seventy-five~~ *fifty*
3 cents ~~(\$9,024.75)~~ *(\$9,572.50)* per unit of average daily enrollment
4 for a 250-day year *and, commencing with the 2016–17 fiscal year,*
5 *shall be increased by the cost-of-living adjustment granted by the*
6 *Legislature annually pursuant to Section 42238.15. The full-day*
7 *state preschool reimbursement rate shall be nine thousand six*
8 *hundred thirty-two dollars and fifty cents (\$9,632.50) per unit of*
9 *average daily enrollment for a 250-day year and, commencing*
10 *with the 2015–16 2016–17 fiscal year, shall be increased by the*
11 *cost-of-living adjustment granted by the Legislature annually*
12 *pursuant to Section 42238.15.*

13 (c) The plan shall require agencies having an assigned
14 reimbursement rate above the current year standard reimbursement
15 rate to reduce costs on an incremental basis to achieve the standard
16 reimbursement rate.

17 (d) (1) The plan shall provide for adjusting reimbursement on
18 a case-by-case basis, in order to maintain service levels for agencies
19 currently at a rate less than the standard reimbursement rate.
20 Assigned reimbursement rates shall be increased only on the basis
21 of one or more of the following:

22 ~~(1)~~

23 (A) Loss of program resources from other sources.

24 ~~(2)~~

25 (B) Need of an agency to pay the same child care rates as those
26 prevailing in the local community.

27 ~~(3)~~

28 (C) Increased costs directly attributable to new or different
29 regulations.

30 ~~(4)~~

31 (D) Documented increased costs necessary to maintain the prior
32 year's level of service and ensure the continuation of threatened
33 programs.

34 (2) Child care agencies funded at the lowest rates shall be given
35 first priority for increases.

36 (e) The plan shall provide for expansion of child development
37 programs at no more than the standard reimbursement rate for that
38 fiscal year.

39 (f) The Superintendent may reduce the percentage of reduction
40 for a public agency that satisfies any of the following:

- 1 (1) Serves more than 400 children.
- 2 (2) Has in effect a collective bargaining agreement.
- 3 (3) Has other extenuating circumstances that apply, as
- 4 determined by the Superintendent.

5 *SEC. 7. Section 8265.5 of the Education Code is amended to*
6 *read:*

7 8265.5. (a) In order to reflect the additional expense of serving
8 children who meet any of the criteria outlined in paragraphs (1)
9 to (7), inclusive, of subdivision (b) the provider agency's reported
10 child days of enrollment for these children shall be multiplied by
11 the adjustment factors listed below.

12 (b) The adjustment factors shall apply to *a full-day state*
13 *preschool program* and those programs for which assigned
14 reimbursement rates are at or below the standard reimbursement
15 rate. In addition, the adjustment factors shall apply to those
16 programs for which assigned reimbursement rates are above the
17 standard reimbursement rate, but the reimbursement rate, as
18 adjusted, shall not exceed the adjusted standard reimbursement
19 rate. *The adjustment factors shall apply to those full-day state*
20 *preschool programs for which assigned reimbursement rates are*
21 *above the full-day state preschool reimbursement rate, but the*
22 *reimbursement rate, as adjusted, shall not exceed the adjusted*
23 *full-day state preschool reimbursement rate.*

24 (1) For infants who are 0 to 18 months of age and are served in
25 a child day care center, the adjustment factor shall be 1.7.

26 (2) For toddlers who are 18 to 36 months of age and are served
27 in a child day care center, the adjustment factor shall be 1.4.

28 (3) For infants and toddlers who are 0 to 36 months of age and
29 are served in a family child care home, the adjustment factor shall
30 be 1.4.

31 (4) For children with exceptional needs who are 0 to 21 years
32 of age, the adjustment factor shall be 1.2.

33 (5) For severely disabled children who are 0 to 21 years of age,
34 the adjustment factor shall be 1.5.

35 (6) For a child at risk of neglect, abuse, or exploitation who are
36 0 to 14 years of age, the adjustment factor shall be 1.1.

37 (7) For limited-English-speaking and non-English-speaking
38 children who are 2 years of age through kindergarten age, the
39 adjustment factor shall be 1.1.

1 (c) Use of the adjustment factors shall not increase the provider
2 agency's total annual allocation.

3 (d) Days of enrollment for children having more than one of
4 the criteria outlined in paragraphs (1) to (7), inclusive, of
5 subdivision (b) shall not be reported under more than one of the
6 above categories.

7 (e) The difference between the reimbursement resulting from
8 the use of the adjustment factors outlined in paragraphs (1) to (7),
9 inclusive, of subdivision (b) and the reimbursement that would
10 otherwise be received by a provider in the absence of the
11 adjustment factors shall be used for special and appropriate services
12 for each child for whom an adjustment factor is claimed.

13 *SEC. 8. Section 8335 of the Education Code is amended to*
14 *read:*

15 8335. The City and County of San Francisco ~~may, as a pilot~~
16 ~~project,~~ *may* develop and implement an individualized county child
17 care subsidy plan. The plan shall ensure that child care subsidies
18 received by the city and county are used to address local needs,
19 conditions, and priorities of working families in the community.

20 *SEC. 9. Section 8335.1 of the Education Code is amended to*
21 *read:*

22 8335.1. Before implementing the local subsidy plan, the City
23 and County of San Francisco, in consultation with the department,
24 shall develop an individualized county child care subsidy plan for
25 the city and county that includes the following four elements:

26 (a) An assessment to identify the city and county's goal for its
27 subsidized child care system. The assessment shall examine
28 whether the current structure of subsidized child care funding
29 adequately supports working families in the city and county and
30 whether the city and county's child care goals coincide with the
31 state's requirements for funding, eligibility, priority, and
32 reimbursement. The assessment shall also identify barriers in the
33 state's child care subsidy system that inhibit the city and county
34 from meeting its child care goals. In conducting the assessment,
35 the city and county shall consider all of the following:

36 (1) The general demographics of families who are in need of
37 child care, including employment, income, language, ethnic, and
38 family composition.

39 (2) The current supply of available subsidized child care.

1 (3) The level of need for various types of subsidized child care
2 services including, but not limited to, infant care, after-hours care,
3 and care for children with exceptional needs.

4 (4) The city and county's self-sufficiency income level.

5 (5) Income eligibility levels for subsidized child care.

6 (6) Family fees.

7 (7) The cost of providing child care.

8 (8) The regional market rates, as established by the department,
9 for different types of child care.

10 (9) The standard reimbursement rate or state per diem for centers
11 operating under contracts with the department.

12 (10) Trends in the county's unemployment rate and housing
13 affordability index.

14 (b) Development of a local policy to eliminate state-imposed
15 regulatory barriers to the city and county's achievement of its
16 desired outcomes for subsidized child care.

17 (1) The local policy shall do all of the following:

18 (A) Prioritize lowest income families first.

19 (B) Follow the family fee schedule established pursuant to
20 ~~subdivision (f) of Section 8263~~ 8273 for those families that are
21 income eligible, as defined by Section 8263.1.

22 (C) Meet local goals that are consistent with the state's child
23 care goals.

24 (D) Identify existing policies that would be affected by the city
25 and county's child care subsidy plan.

26 (E) (i) Authorize any agency that provides child care and
27 development services in the city and county through a contract
28 with the department to apply to the department to amend existing
29 contracts in order to benefit from the local policy once it is adopted.

30 (ii) The department shall approve an application to amend an
31 existing contract if the child care subsidy plan is approved pursuant
32 to subdivision (b) of Section 8335.3, or modified pursuant to
33 subdivision (c) of Section 8335.3.

34 (iii) The contract of a department contractor who does not elect
35 to request an amendment to its contract remains operative and
36 enforceable.

37 (2) (A) The city and county shall, by the end of the first fiscal
38 year of operation under the approved child care subsidy plan,
39 demonstrate an increase in the aggregate child days of enrollment

1 in the county as compared to the enrollment in the final quarter of
2 the 2004–05 fiscal year.

3 (B) The amount of the increase shall be at least equal to the
4 aggregate child days of enrollment in the final quarter of the
5 2004–05 fiscal year for all contracts amended as provided in
6 subparagraph (E) of paragraph (1), under which the contractor
7 receives an increase in its reimbursement rate, times 2 percent.

8 (C) The amount of the increase shall also be proportional to the
9 total contract maximum reimbursable amount to reflect the changes
10 in the budget allocation for each fiscal year of the ~~pilot project~~.
11 *plan*.

12 (3) The local policy may supersede state law concerning child
13 care subsidy programs with regard only to the following factors:

14 (A) Eligibility criteria including, but not limited to, age, family
15 size, time limits, income level, inclusion of former and current
16 CalWORKs participants, and special needs considerations, except
17 that the local policy may not deny or reduce eligibility of a family
18 that qualifies for child care pursuant to Section 8353. Under the
19 local policy, a family that qualifies for child care pursuant to
20 Section 8354 shall be treated for purposes of eligibility and fees
21 in the same manner as a family that qualifies for subsidized child
22 care on another basis pursuant to the local policy.

23 (B) Fees including, but not limited to, family fees, sliding scale
24 fees, and copayments for those families that are not income eligible,
25 as defined by Section 8263.1.

26 (C) Reimbursement rates.

27 (D) Methods of maximizing the efficient use of subsidy funds,
28 including, but not limited to, multiyear contracting with the
29 department for center-based child care, and interagency agreements
30 that allow for flexible and temporary transfer of funds among
31 agencies.

32 (c) Recognition that all funding sources utilized by direct service
33 contractors that provide child care and development services in
34 the city and county are eligible to be included in the child care
35 subsidy plan of the city and county.

36 (d) Establishment of measurable outcomes to evaluate the
37 success of the plan to achieve the city and county's child care goals
38 and to overcome any barriers identified in the state's child care
39 subsidy system. The State Department of Social Services shall
40 have an opportunity to review and comment on the proposed

1 measurable outcomes before they are submitted to the local child
2 care planning council for approval pursuant to Section 8335.3.

3 *SEC. 10. Section 8335.2 of the Education Code is amended to*
4 *read:*

5 8335.2. To ensure that the annual ~~and final reports~~ *report*
6 required pursuant to Section 8335.4 ~~provide~~ *provides* useful
7 comparative information, the Legislative Analyst and the Senate
8 Office of Research shall review the evaluation design, the baseline
9 data, and the data collection proposed in the child care subsidy
10 plan of the City and County of San Francisco before the plan is
11 submitted to the local planning council as defined in subdivision
12 (g) of Section 8499, for approval pursuant to Section 8335.3.

13 *SEC. 11. Section 8335.4 of the Education Code is amended to*
14 *read:*

15 8335.4. (a) Upon approval of the plan by the Child
16 Development Division of the department, the City and County of
17 San Francisco shall annually prepare and submit to the Legislature,
18 the State Department of Social Services, and the department a
19 report that summarizes the success of the ~~pilot project~~ *plan* and
20 the city and county's ability to maximize the use of funds and to
21 improve and stabilize child care in the city and county.

22 (b) The City and County of San Francisco shall submit a report
23 to the Legislature, the State Department of Social Services, and
24 the department on or before December 31, 2014. The report shall
25 summarize the impact of the plan on the child care needs of
26 working families in the city and county, evaluate the pilot project's
27 operation between the 2011–12 and 2013–14 fiscal years, and
28 provide a recommendation as to whether the pilot project should
29 continue as a permanent program.

30 *SEC. 12. Section 8335.5 of the Education Code is repealed.*

31 ~~8335.5. The City and County of San Francisco may implement~~
32 ~~an individualized county child care subsidy plan as a pilot project~~
33 ~~pursuant to this article until July 1, 2016, at which date the city~~
34 ~~and county shall terminate the plan. From July 1, 2016, to July 1,~~
35 ~~2018, inclusive, the city and county shall phase out the~~
36 ~~individualized county child care subsidy plan and, beginning July~~
37 ~~1, 2018, shall implement the state's requirements for child care~~
38 ~~subsidies. A child enrolling for the first time for subsidized child~~
39 ~~care in the city and county on and after July 1, 2016, shall not be~~
40 ~~enrolled in the pilot project established pursuant to this article, and~~

1 is subject to existing state laws and regulations regarding child
2 care eligibility and priority.

3 *SEC. 13. Section 8335.7 of the Education Code is repealed.*

4 ~~8335.7. This article shall become inoperative on July 1, 2018,~~
5 ~~and as of January 1, 2019, is repealed, unless a later enacted statute,~~
6 ~~that is enacted before January 1, 2019, deletes or extends the dates~~
7 ~~on which it becomes inoperative and is repealed.~~

8 *SEC. 14. Section 8357 of the Education Code is amended to*
9 *read:*

10 8357. (a) The cost of child care services provided under this
11 article shall be governed by regional market rates. Recipients of
12 child care services provided pursuant to this article shall be allowed
13 to choose the child care services of licensed child care providers
14 or child care providers who are, by law, not required to be licensed,
15 and the cost of that child care shall be reimbursed by counties or
16 agencies that contract with the ~~State Department of Education~~
17 *department* if the cost is within the regional market rate. For
18 purposes of this section, “regional market rate” means care costing
19 no more than 1.5 market standard deviations above the mean cost
20 of care for that region. ~~The regional market rate ceilings shall be~~
21 ~~established at the 85th percentile of the 2005 regional market rate~~
22 ~~survey for that region. Commencing January 1, 2015, the regional market rate ceilings shall be established at the~~
23 ~~greater of either the 85th percentile of the 2009 regional market~~
24 ~~rate survey for that region, reduced by 10.11 percent, or the 85th~~
25 ~~percentile of the 2005 regional market rate survey for that region.~~
26 ~~Commencing October 1, 2015, the regional market rate ceilings~~
27 ~~shall be established at 104.5 percent of the greater of either of the~~
28 ~~following:~~

29 ~~(1) The 85th percentile of the 2009 regional market rate survey~~
30 ~~for that region, reduced by 10.11 percent.~~

31 ~~(2) The 85th percentile of the 2005 regional market rate survey~~
32 ~~for that region.~~

33 ~~(b) Reimbursement~~ *Until October 1, 2015, the reimbursement*
34 *to license-exempt child care providers shall not exceed 60 percent*
35 *of the family child care home rate established pursuant to*
36 *subdivision (a), effective July 1, 2011. Commencing October 1,*
37 *2015, reimbursement to license-exempt child care providers shall*
38 *not exceed 65 percent of the family child care home rate*
39 *established pursuant to subdivision (a).*
40

1 (c) Reimbursement to child care providers shall not exceed the
2 fee charged to private clients for the same service.

3 (d) Reimbursement shall not be made for child care services
4 when care is provided by parents, legal guardians, or members of
5 the assistance unit.

6 (e) A child care provider located on an Indian reservation or
7 rancheria and exempted from state licensing requirements shall
8 meet applicable tribal standards.

9 (f) For purposes of this section, “reimbursement” means a direct
10 payment to the provider of child care services, including
11 license-exempt providers. If care is provided in the home of the
12 recipient, payment may be made to the parent as the employer,
13 and the parent shall be informed of his or her concomitant legal
14 and financial reporting requirements. To allow time for the
15 development of the administrative systems necessary to issue direct
16 payments to providers, for a period not to exceed six months from
17 the effective date of this article, a county or an alternative payment
18 agency contracting with the ~~State Department of Education~~
19 *department* may reimburse the cost of child care services through
20 a direct payment to a recipient of aid rather than to the child care
21 provider.

22 (g) Counties and alternative payment programs shall not be
23 bound by the rate limits described in subdivision (a) when there
24 are, in the region, no more than two child care providers of the
25 type needed by the recipient of child care services provided under
26 this article.

27 (h) (1) Notwithstanding any other law, reimbursements to
28 child care providers based upon a daily rate may only be authorized
29 under either of the following circumstances:

30 (1)

31 (A) A family has an unscheduled but documented need of six
32 hours or more per occurrence, such as the parent’s need to work
33 on a regularly scheduled day off, that exceeds the certified need
34 for child care.

35 (2)

36 (B) A family has a documented need of six hours or more per
37 day that exceeds no more than 14 days per month. In no event shall
38 reimbursements to a provider based on the daily rate over one
39 month’s time exceed the provider’s equivalent full-time monthly
40 rate or applicable monthly ceiling.

1 ~~(3)~~

2 (2) This subdivision shall not limit providers from being
3 reimbursed for services using a weekly or monthly rate, pursuant
4 to subdivision (c) of Section 8222.

5 *SEC. 15. Section 8447 of the Education Code is amended to*
6 *read:*

7 8447. (a) The Legislature hereby finds and declares that greater
8 efficiencies may be achieved in the execution of state subsidized
9 child care and development program contracts with public and
10 private agencies by the timely approval of contract provisions by
11 the Department of Finance, the Department of General Services,
12 and the ~~State Department of Education~~ *department* and by
13 authorizing the ~~State Department of Education~~ *department* to
14 establish a multiyear application, contract expenditure, and service
15 review as may be necessary to provide timely service while
16 preserving audit and oversight functions to protect the public
17 welfare.

18 (b) (1) The Department of Finance and the Department of
19 General Services shall approve or disapprove annual contract
20 funding terms and conditions, including both family fee schedules
21 and regional market rate schedules that are required to be adhered
22 to by contract, and contract face sheets submitted by the ~~State~~
23 ~~Department of Education~~ *department* not more than 30 working
24 days from the date of submission, unless unresolved conflicts
25 remain between the Department of Finance, the ~~State Department~~
26 ~~of Education,~~ *department,* and the Department of General Services.
27 The ~~State Department of Education~~ *department* shall resolve
28 conflicts within an additional 30 working day time period.
29 Contracts and funding terms and conditions shall be issued to child
30 care contractors no later than June 1. Applications for new child
31 care funding shall be issued not more than 45 working days after
32 the effective date of authorized new allocations of child care
33 moneys.

34 (2) Notwithstanding paragraph (1), until January 1, 2015, the
35 State Department of Education shall implement the regional market
36 rate schedules based upon the county aggregates, as determined
37 by the Regional Market survey conducted in 2005. Commencing
38 January 1, 2015, the ~~State Department of Education~~ *department*
39 shall implement the regional market rate schedules based upon the
40 85th percentile of county aggregates, as determined by the Regional

1 Market survey conducted in 2009. Commencing January 1, 2015,
2 the regional market rate schedule developed pursuant to this
3 paragraph shall be reduced by 10.11 percent. If a ceiling for a
4 county is less than the ceiling provided for that county before
5 January 1, 2015, the ~~State Department of Education~~ *department*
6 shall use the ceiling from the Regional Market survey conducted
7 in 2005. *Commencing October 1, 2015, the regional market rate*
8 *ceilings for all counties shall be increased by 4.5 percent.*

9 (3) It is the intent of the Legislature to fully fund the third stage
10 of child care for former CalWORKs recipients.

11 (c) With respect to subdivision (b), it is the intent of the
12 Legislature that the Department of Finance annually review
13 contract funding terms and conditions for the primary purpose of
14 ensuring consistency between child care contracts and the child
15 care budget. This review shall include evaluating any proposed
16 changes to contract language or other fiscal documents to which
17 the contractor is required to adhere, including those changes to
18 terms or conditions that authorize higher reimbursement rates,
19 modify related adjustment factors, modify administrative or other
20 service allowances, or diminish fee revenues otherwise available
21 for services, to determine if the change is necessary or has the
22 potential effect of reducing the number of full-time equivalent
23 children that may be served.

24 (d) Alternative payment child care systems, as set forth in Article
25 3 (commencing with Section 8220), shall be subject to the rates
26 established in the Regional Market Rate Survey of California Child
27 Care Providers for provider payments. The ~~State Department of~~
28 ~~Education~~ *department* shall contract to conduct and complete a
29 Regional Market Rate Survey no more frequently than once every
30 two years, consistent with federal regulations, with a goal of
31 completion by March 1.

32 (e) By March 1 of each year, the Department of Finance shall
33 provide to the ~~State Department of Education~~ *department* the state
34 median income amount for a four-person household in California
35 based on the best available data. The ~~State Department of~~
36 ~~Education~~ *department* shall adjust its fee schedule for child care
37 providers to reflect this updated state median income; however,
38 no changes based on revisions to the state median income amount
39 shall be implemented midyear.

(f) Notwithstanding the June 1 date specified in subdivision (b), changes to the regional market rate schedules and fee schedules may be made at any other time to reflect the availability of accurate data necessary for their completion, provided these documents receive the approval of the Department of Finance. The Department of Finance shall review the changes within 30 working days of submission and the ~~State Department of Education~~ *department* shall resolve conflicts within an additional 30 working day period. Contractors shall be given adequate notice before the effective date of the approved schedules. It is the intent of the Legislature that contracts for services not be delayed by the timing of the availability of accurate data needed to update these schedules.

SEC. 16. Section 10554 of the Education Code is amended to read:

10554. (a) In order for the governing board to carry out its responsibilities pursuant to this chapter, there is hereby established the Educational Telecommunication Fund. ~~The amount of moneys to be deposited in the fund shall be the amount of any offset made to the principal apportionments made pursuant to Sections 1909, 2558, 42238, 52616, Article 1.5 (commencing with Section 52335) of Chapter 9 of Part 28, and Chapter 7.2 (commencing with Section 56836) of Part 30, based on a finding that these apportionments were not in accordance with law. The maximum amount that may be annually deposited in the fund from the offset is fifteen million dollars (\$15,000,000). The Controller shall establish an account to receive and expend moneys in the fund. The placement of the moneys in the fund shall occur only upon a finding by the Superintendent of Public Instruction and the Director of Finance that the principal apportionments made pursuant to Sections 1909, 2558, 42238, 52616, and Article 1.5 (commencing with Section 52335) of Chapter 9 of Part 28, and Chapter 7.2 (commencing with Section 56836) of Part 30 were not in accordance with existing law and were so identified pursuant to Sections 1624, 14506, 41020, 41020.2, 41320, 42127.2, and 42127.3, or an independent audit that was approved by the department.~~

(b) Moneys in the fund established pursuant to subdivision (a) shall only be available for expenditure upon appropriation by the Legislature in the *annual* Budget Act.

(c) ~~The moneys~~ *Moneys* in the fund established pursuant to subdivision (a) may be expended by the governing board to carry

1 out the purposes of this chapter, ~~including~~ *including, but not limited*
2 *to*, for the following purposes:

3 (1) To support the activities of the team established pursuant to
4 subdivision (c) of Section 10551.

5 (2) To assist the school districts and county superintendents of
6 schools in purchasing both hardware and software to allow school
7 districts, county superintendents of schools, and the department
8 to be linked for school business and administrative purposes. The
9 governing board shall establish a matching share requirement that
10 applicant school districts and county superintendents of schools
11 must fulfill to receive those funds. It is the intent of the Legislature
12 to encourage the distribution of grants to school districts and county
13 superintendents of schools to the widest extent possible.

14 (3) To provide technical assistance through county offices of
15 education to school districts in implementing the standards
16 established pursuant to subdivision (a) of Section 10552.

17 *SEC. 17. Section 17070.75 of the Education Code is amended*
18 *to read:*

19 17070.75. (a) The board shall require the school district to
20 make all necessary repairs, renewals, and replacements to ensure
21 that a project is at all times maintained in good repair, working
22 order, and condition. All costs incurred for this purpose shall be
23 borne by the school district.

24 (b) In order to ensure compliance with subdivision (a) and to
25 encourage school districts to maintain all buildings under their
26 control, the board shall require an applicant school district to do
27 all of the following ~~prior to~~ *before* the approval of a project:

28 (1) Establish a restricted account within the general fund of the
29 school district for the exclusive purpose of providing moneys for
30 ongoing and major maintenance of school buildings, according
31 the highest priority to funding for the purposes set forth in
32 subdivision (a). *Funds in the account may be used for drought*
33 *mitigation purposes related to the implementation of Executive*
34 *Order B-29-15.*

35 (2) (A) Agree to deposit into the account established pursuant
36 to paragraph (1), in each fiscal year for 20 years after receipt of
37 funds under this chapter, a minimum amount equal to or greater
38 than 3 percent of the total general fund expenditures of the
39 applicant school district, including other financing uses, for that
40 fiscal year. ~~Annual deposits to the account established pursuant to~~

1 paragraph (1) in excess of ~~2-½~~ percent of the school district
2 general fund budget may count towards the amount of funds
3 required to be contributed by a school district in order to receive
4 apportionments from the State School Deferred Maintenance Fund
5 pursuant to Section 17584 to the extent that those funds are used
6 for purposes that qualify for funding under that section.

7 (B) Notwithstanding subparagraph (A), for the ~~2004-05~~ 2015-16
8 and 2016-17 fiscal year only, an applicant school district shall
9 deposit years, the minimum amount required to be deposited into
10 the account established pursuant to paragraph (1), no less than 2
11 percent of (1) shall be the total general fund expenditures lesser
12 of the school district, including other financing uses, for the fiscal
13 year. The annual deposit to the account in excess of 1 following
14 amounts: -½ percent of the school district general fund budget for
15 the 2004-05 fiscal year may count towards the amount that a school
16 district is required to contribute in order to receive apportionments
17 from the State School Deferred Maintenance Fund pursuant to
18 Section 17584 to the extent that those funds are used for purposes
19 that qualify for funding under that section.

20 (i) Three percent of the total general fund expenditures for that
21 fiscal year.

22 (ii) The amount that the school district deposited into the
23 account in the 2014-15 fiscal year.

24 (C) Notwithstanding subparagraph (A), for the 2017-18 to
25 2019-20 fiscal years, inclusive, the minimum amount required to
26 be deposited into the account established pursuant to paragraph
27 (1) shall be the greater of the following amounts:

28 (i) The lesser of 3 percent of the general fund expenditures for
29 that fiscal year or the amount that the school district deposited
30 into the account in the 2014-15 fiscal year.

31 (ii) Two percent of the total general fund expenditures of the
32 applicant school district for that fiscal year.

33 (E)

34 (D) A school district contribution to the account may be
35 provided in lieu of meeting the ongoing maintenance requirements
36 pursuant to Section 17014 to the extent the funds are used for
37 purposes established in that section. A school district that serves
38 as the administrative unit for a special education local plan area
39 may elect to exclude from its total general fund expenditures, for
40 purposes of this paragraph, the distribution of revenues that are

1 passed through to participating members of the special education
2 local plan area.

3 ~~(D)~~

4 (E) This paragraph applies only to the following school districts:

5 (i) High school districts with an average daily attendance greater
6 than 300 pupils.

7 (ii) Elementary school districts with an average daily attendance
8 greater than 900 pupils.

9 (iii) Unified school districts with an average daily attendance
10 greater than 1,200 pupils.

11 (F) *It is the intent of the Legislature that a school district shall*
12 *be required to comply with the requirements of subparagraph (A)*
13 *in the year in which the local control funding formula is fully*
14 *implemented.*

15 (3) Certify that it has publicly approved an ongoing and major
16 maintenance plan that outlines the use of the funds deposited, or
17 to be deposited, pursuant to paragraph (2). The plan may provide
18 that the school district need not expend all of its annual allocation
19 for ongoing and major maintenance in the year in which it is
20 deposited if the cost of major maintenance requires that the
21 allocation be carried over into another fiscal year. However, any
22 state funds carried over into a subsequent year may not be counted
23 toward the annual minimum contribution by the school district. ~~A~~
24 ~~plan developed in compliance with this section shall be deemed~~
25 ~~to meet the requirements of Section 17585.~~

26 (c) A school district to which paragraph (2) of subdivision (b)
27 does not apply shall certify to the board that it can reasonably
28 maintain its facilities with a lesser level of maintenance.

29 (d) For purposes of calculating a county office of education
30 requirement pursuant to this section, the ~~3 percent~~ *applicable*
31 *maintenance requirement specified in paragraph (2) of subdivision*
32 *(b)* shall be based upon the county office of education general fund
33 less any restricted accounts.

34 (e) (1) *This subdivision shall only apply to a school district*
35 *that received funds pursuant to this chapter equal to or greater*
36 *than 10 percent of the State School Facilities Funds of 1998, 2002,*
37 *2004, and 2006.*

38 (2) *Notwithstanding subparagraphs (B) and (C) of paragraph*
39 *(2) of subdivision (b), a school district shall comply with the*
40 *requirements of subparagraph (A) of paragraph (2) of subdivision*

(b) if the amount available in any fiscal year for the public school system pursuant to Section 8 of Article XVI of the California Constitution is equal to or greater than the amount available in the prior fiscal year, unless a school district has locally negotiated an alternative minimum annual deposit percentage in a collective bargaining agreement with the representatives of the school district's skilled crafts employees.

(3) Under no circumstances shall a school district deposit less than the amounts required in subparagraphs (B) and (C) of paragraph (2) of subdivision (b).

(4) This subdivision shall be operative from July 1, 2015, until June 30, 2020.

(e)

(f) As a condition of participation in the school facilities program or the receipt of funds pursuant to Section 17582, for a fiscal year after the 2004–05 fiscal year, a school district shall establish a facilities inspection system to ensure that each of its schools is maintained in good repair.

(f)

(g) For purposes of this section, “good repair” has the same meaning as specified in subdivision (d) of Section 17002.

SEC. 18. Section 41202 of the Education Code is amended to read:

41202. The words and phrases set forth in subdivision (b) of Section 8 of Article XVI of the Constitution of the State of California shall have the following meanings:

(a) “Moneys to be applied by the State,” as used in subdivision (b) of Section 8 of Article XVI of the California Constitution, means appropriations from the General Fund that are made for allocation to school districts, as defined, or community college districts. An appropriation that is withheld, impounded, or made without provisions for its allocation to school districts or community college districts, ~~districts~~ shall not be considered to be “moneys to be applied by the State.”

(b) “General Fund revenues which may be appropriated pursuant to Article XIII B,” as used in paragraph (1) of subdivision (b) of Section 8 of Article ~~XVI~~, XVI of the California Constitution, means General Fund revenues that are the proceeds of taxes as defined by subdivision (c) of Section 8 of Article XIII B of the California Constitution, including, for the 1986–87 fiscal year only, any

revenues that are determined to be in excess of the appropriations limit established pursuant to Article XIII B of the California Constitution for the fiscal year in which they are received. General Fund revenues for a fiscal year to which paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution is being applied shall include, in that computation, only General Fund revenues for that fiscal year that are the proceeds of taxes, as defined in subdivision (c) of Section 8 of Article XIII B of the California Constitution, and shall not include prior fiscal year revenues. Commencing with the 1995–96 fiscal year, and each fiscal year thereafter, “General Fund revenues that are the proceeds of taxes,” as defined in subdivision (c) of Section 8 of Article XIII B of the California Constitution, includes any portion of the proceeds of taxes received from the state sales tax that are transferred to the counties pursuant to, and only if, legislation is enacted during the 1995–96 fiscal year the purpose of which is to realign children’s programs. The amount of the proceeds of taxes shall be computed for any fiscal year in a manner consistent with the manner in which the amount of the proceeds of taxes was computed by the Department of Finance for purposes of the Governor’s Budget for the Budget Act of 1986. 1986 (*Chapter 186 of the Statutes of 1986*).

(c) “General Fund revenues appropriated for school districts,” as used in paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means the sum of appropriations made that are for allocation to school districts, as defined in Section 41302.5, regardless of whether those appropriations were made from the General Fund to the Superintendent, to the Controller, or to any other fund or state agency for the purpose of allocation to school districts. The full amount of any appropriation shall be included in the calculation of the percentage required by paragraph (1) of subdivision (b) of Article XVI, XVI of the California Constitution, without regard to any unexpended balance of any appropriation. Any reappropriation of funds appropriated in any prior year shall not be included in the sum of appropriations.

(d) “General Fund revenues appropriated for community college districts,” as used in paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means the sum of appropriations made that are for allocation to community college

1 districts, regardless of whether those appropriations were made
2 from the General Fund to the Controller, to the Chancellor of the
3 California Community Colleges, or to any other fund or state
4 agency for the purpose of allocation to community college districts.
5 The full amount of any appropriation shall be included in the
6 calculation of the percentage required by paragraph (1) of
7 subdivision (b) of Article ~~XVI~~, *XVI of the California Constitution*,
8 without regard to any unexpended balance of any appropriation.
9 Any reappropriation of funds appropriated in any prior year shall
10 not be included in the sum of appropriations.

11 (e) “Total allocations to school districts and community college
12 districts from General Fund proceeds of taxes appropriated pursuant
13 to Article XIII B,” as used in paragraph (2) or (3) of subdivision
14 (b) of Section 8 of Article XVI of the California Constitution,
15 means the sum of appropriations made that are for allocation to
16 school districts, as defined in Section 41302.5, and community
17 college districts, regardless of whether those appropriations were
18 made from the General Fund to the Controller, to the
19 Superintendent, to the Chancellor of the California Community
20 Colleges, or to any other fund or state agency for the purpose of
21 allocation to school districts and community college districts. The
22 full amount of any appropriation shall be included in the calculation
23 of the percentage required by paragraph (2) or (3) of subdivision
24 (b) of Section 8 of Article ~~XVI~~, *XVI of the California Constitution*,
25 without regard to any unexpended balance of any appropriation.
26 Any reappropriation of funds appropriated in any prior year shall
27 not be included in the sum of appropriations.

28 (f) “General Fund revenues appropriated for school districts
29 and community college districts, respectively” and “moneys to be
30 applied by the state for the support of school districts and
31 community college districts,” as used in Section 8 of Article XVI
32 of the California Constitution, shall include funds appropriated for
33 part-day California state preschool programs under Article 7
34 (commencing with Section 8235) of Chapter 2 of Part 6 of Division
35 1 of Title 1, *funds appropriated to local educational agencies, as*
36 *defined in subdivision (ak) of Section 8208, to create a full day of*
37 *care for children participating in the California state preschool*
38 *program, and funds appropriated for the After School Education*
39 *and Safety Program established pursuant to Article 22.5*

(commencing with Section 8482) of Chapter 2 of Part 6 of Division 1 of Title 1, and shall not include any of the following:

(1) Any appropriation that is not made for allocation to a school district, as defined in Section 41302.5, or to a community college district, regardless of whether the appropriation is made for any purpose that may be considered to be for the benefit to a school district, as defined in Section 41302.5, or a community college district. This paragraph shall not be construed to exclude any funding appropriated for part-day California state preschool programs under Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1, *to create a full day of care for children participating in the California state preschool program*, or for the After School Education and Safety Program established pursuant to Article 22.5 (commencing with Section 8482) of Chapter 2 of Part 6 of Division 1 of Title 1.

(2) Any appropriation made to the Teachers' Retirement Fund or to the Public Employees' Retirement Fund except those appropriations for reimbursable state mandates imposed on or before January 1, 1988.

(3) Any appropriation made to service any public debt approved by the voters of this state.

(4) With the exception of the programs identified in paragraph (1), commencing with the 2011–12 fiscal year, any funds appropriated for the Child Care and Development Services Act, pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1.

(g) "Allocated local proceeds of taxes," as used in paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means, for school districts as defined, those local revenues, except revenues identified pursuant to paragraph (5) of subdivision ~~(h)~~ (j) of Section ~~42238~~, 42238.02, that are used to offset state aid for school districts in calculations performed pursuant to Sections ~~2558, 42238~~, 2558 and 42238 and Chapter 7.2 (commencing with Section 56836) of Part 30.

(h) "Allocated local proceeds of taxes," as used in paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means, for community college districts, those local revenues that are used to offset state aid for community college districts in calculations performed pursuant to Section

1 ~~84700. districts.~~ In no event shall the revenues or receipts derived
2 from student fees be considered “allocated local proceeds of taxes.”

3 (i) For purposes of calculating the 4-percent entitlement pursuant
4 to subdivision (a) of Section 8.5 of Article XVI of the California
5 Constitution, “the total amount required pursuant to Section 8(b)”
6 shall mean the General Fund aid required for schools pursuant to
7 subdivision (b) of Section 8 of Article XVI of the California
8 Constitution, and shall not include allocated local proceeds of
9 taxes.

10 (j) This section shall become inoperative on December 15, 2012,
11 and, as of January 1, 2013, is repealed, only if the Schools and
12 Local Public Safety Protection Act of 2012 (Attorney General
13 reference number 12-0009) is not approved by the voters at the
14 November 6, 2012, statewide general election, or if the provisions
15 of that act that modify personal income tax rates do not become
16 operative due to a conflict with another initiative measure that is
17 approved at the same election and receives a greater number of
18 affirmative votes.

19 *SEC. 19. Section 41203.1 of the Education Code is amended*
20 *to read:*

21 41203.1. (a) For the 1990–91 fiscal year and each fiscal year
22 thereafter, allocations calculated pursuant to Section 41203 shall
23 be distributed in accordance with calculations provided in this
24 section. Notwithstanding Section 41203, and for purposes of this
25 section, school districts, community college districts, and direct
26 elementary and secondary level instructional services provided by
27 the State of California shall be regarded as separate segments of
28 public education, and each of these three segments of public
29 education shall be entitled to receive respective shares of the
30 amount calculated pursuant to Section 41203 as though the
31 calculation made pursuant to subdivision (b) of Section 8 of Article
32 XVI of the California Constitution were to be applied separately
33 to each segment and the base year for purposes of this calculation
34 under paragraph (1) of subdivision (b) of Section 8 of Article XVI
35 of the California Constitution were based on the 1989–90 fiscal
36 year. Calculations made pursuant to this subdivision shall be made
37 so that each segment of public education is entitled to the greater
38 of the amounts calculated for that segment pursuant to paragraph
39 (1) or (2) of subdivision (b) of Section 8 of Article XVI of the
40 California Constitution.

(b) If the single calculation made pursuant to Section 41203 yields a guaranteed amount of funding that is less than the sum of the amounts calculated pursuant to subdivision (a), the amount calculated pursuant to Section 41203 shall be prorated for the three segments of public education.

(c) Notwithstanding any other law, this section does not apply to the 1992–93 to ~~2014–15~~ the 2015–16 fiscal years, inclusive.

SEC. 20. Section 41207.3 of the Education Code, as amended by Section 24 of Chapter 32 of the Statutes of 2014, is amended to read:

41207.3. (a) Notwithstanding Section 41206, the minimum state educational funding obligation for school districts and community college districts pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution is determined to be the following:

(1) Fifty-three billion three hundred forty-five million four hundred twenty thousand dollars (\$53,345,420,000) for the 2005–06 fiscal year, with an outstanding balance of one billion one hundred ten million five hundred sixteen thousand dollars (\$1,110,516,000). The outstanding balance is appropriated and allocated pursuant to Article 3.7 (commencing with Section 52055.700) of Chapter 6.1 of Part ~~28~~ of Division 4.

(2) Fifty-five billion two hundred fifty-one million two hundred sixty-six thousand dollars (\$55,251,266,000) for the 2006–07 fiscal year, with an outstanding balance of two hundred eleven million five hundred thirty-three thousand dollars (\$211,533,000). ~~Commencing with the 2015–16 fiscal year, the Legislature shall appropriate the~~ The outstanding balance is appropriated and specify in the annual Budget Act or other statute making those appropriations that the funds shall be used for any one-time purpose so long as those appropriations are made for allocation allocated pursuant to school districts or community college districts. Section 41207.41.

(3) Fifty-six billion five hundred seventy-seven million four hundred ninety-one thousand dollars (\$56,577,491,000) for the 2007–08 fiscal year, with no outstanding balance.

(b) (1) The amount determined pursuant to paragraph (1) of subdivision (a) shall be deemed certified for purposes of Section 41206 when the conditions set forth in subdivision (c) of Section 41207.1 are met.

(2) The amount determined pursuant to paragraph (2) of subdivision (a) shall be deemed certified for purposes of Section 41206 upon appropriation of the full amount of the outstanding balance determined for that year.

(3) The amount determined pursuant to paragraph (3) of subdivision (a) is deemed to be certified for purposes of Section 41206 upon enactment of this section.

SEC. 21. Section 41207.41 is added to the Education Code, to read:

41207.41. (a) The sum of two hundred fifty-six million dollars (\$256,000,000) is hereby appropriated from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of offsetting the 2006–07 fiscal year and 2009–10 fiscal year outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution.

(1) The amount appropriated pursuant to this subdivision shall be allocated to school districts and community college districts, as described in subdivision (a) of Section 41203.1, in accordance with the following:

(A) Eighty-two million four hundred sixty-seven thousand dollars (\$82,467,000) for transfer by the Controller to Section A of the State Schools Fund for allocation by the Superintendent pursuant to this section.

(B) Twenty-seven million nine hundred eighty-one thousand dollars (\$27,981,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges districts pursuant to this section.

(C) One hundred forty-five million five hundred fifty-two thousand dollars (\$145,552,000) for transfer by the Controller to the School Facilities Emergency Repair Account pursuant to Section 17592.71.

(2) The amount allocated to school districts pursuant to subparagraph (A) of paragraph (1) shall be distributed on the basis of an equal amount per unit of regular average daily attendance, as those average daily attendance numbers are reported at the time of the second principal apportionment for the 2014–15 fiscal year.

1 (3) *The amount allocated to community college districts*
2 *pursuant to this subdivision shall be distributed on the basis of an*
3 *equal amount per enrolled full-time equivalent student, as those*
4 *numbers of students are reported at the time of the second principal*
5 *apportionment for the 2014–15 fiscal year.*

6 (4) *For purposes of this subdivision a school district includes*
7 *a county office of education and a charter school.*

8 (b) *For purposes of Section 8 of Article XVI of the California*
9 *Constitution, the amounts appropriated and allocated pursuant*
10 *to this section shall be applied to the outstanding balance of the*
11 *minimum funding obligation to school districts and community*
12 *college districts pursuant to Section 8 of Article XVI of the*
13 *California Constitution, and shall be deemed to be appropriations*
14 *made and allocated in that fiscal year in which the deficiencies*
15 *resulting in the outstanding balance were incurred in accordance*
16 *with the following:*

17 (1) *Two hundred eleven million five hundred thirty-three*
18 *thousand dollars (\$211,533,000) in payment of the outstanding*
19 *balance of the minimum funding obligation for the 2006–07 fiscal*
20 *year.*

21 (2) *Forty-four million four hundred sixty-seven thousand dollars*
22 *(\$44,467,000) in payment of the outstanding balance of the*
23 *minimum funding obligation for the 2009–10 fiscal year.*

24 (c) *Funding received by school districts and community college*
25 *districts pursuant to subparagraphs (A) and (B) of paragraph (1)*
26 *of subdivision (a) shall first be deemed to be paid in satisfaction*
27 *of any outstanding claims pursuant to Section 6 of Article XIII B*
28 *of the California Constitution for reimbursement of state-mandated*
29 *local costs for any fiscal year. Notwithstanding Section 12419.5*
30 *of the Government Code and any amounts that are deemed,*
31 *pursuant to this subdivision, to be paid in satisfaction of*
32 *outstanding claims for reimbursement of state-mandated local*
33 *costs, the Controller may audit any claim as allowed by law and*
34 *may recover any amount owed by school districts and community*
35 *college districts pursuant to an audit only by reducing amounts*
36 *owed for any other mandate claims. Under no circumstances shall*
37 *a school district or community college district be required to remit*
38 *funding back to the state to pay for disallowed costs identified by*
39 *a Controller audit of claimed reimbursable state-mandated local*
40 *program costs. The Controller shall not recover any amount owed*

1 by a school district or community college district pursuant to an
2 audit of claimed reimbursable state-mandated local program costs
3 by reducing any amount owed a school district or community
4 college district for any purpose other than amounts owed for any
5 other mandate claims. The Controller shall apply amounts received
6 by each school district or community college district against any
7 balances of unpaid claims for reimbursement of state-mandated
8 local costs and interest in chronological order beginning with the
9 earliest claim. The Controller shall report to each school district
10 and community college district the amounts of any claims and
11 interest that are offset from funds provided pursuant to this section
12 and shall report a summary of the amounts offset for each mandate
13 for each fiscal year to the Department of Finance and the fiscal
14 committees of the Legislature.

15 (d) (1) The governing board of a school district or community
16 college district may expend the one-time funds received pursuant
17 to subparagraphs (A) and (B) of paragraph (1) of subdivision (a)
18 for any purpose, as determined by the governing board.

19 (2) It is the intent of the Legislature that school districts will
20 prioritize the use of these one-time funds for professional
21 development, induction for beginning teachers with a focus on
22 relevant mentoring, instructional materials, technology
23 infrastructure, and any other investments necessary to support
24 implementation of the common core standards in English language
25 arts and mathematics, the implementation of English language
26 development standards, and the implementation of the Next
27 Generation Science standards.

28 SEC. 22. Section 41976 of the Education Code is amended to
29 read:

30 41976. (a) For purposes of this chapter, the following classes
31 and courses are authorized to be offered by school districts and
32 county superintendents of schools for apportionment purposes
33 from the adult education fund:

34 (1) Adult programs in parenting, including parent cooperative
35 preschools, and classes in child growth and development,
36 parent-child relationships, and parenting.

37 (2) Adult programs in elementary and secondary basic skills
38 and other courses and classes required for the high school diploma.
39 Apportionments for these courses and classes may only be
40 generated by students who do not possess a high school diploma,

1 except for remedial academic courses or classes in reading,
2 mathematics, and language arts.

3 (3) Adult education programs in English as a second language.

4 (4) Adult education programs for immigrants eligible for
5 educational services in citizenship, English as a second language,
6 and workforce preparation classes in the basic skills of speaking,
7 listening, reading, writing, mathematics, decisionmaking and
8 problem solving skills, and other classes required for preparation
9 to participate in job specific technical training.

10 (5) Adult education programs for adults with disabilities.

11 (6) Adult short-term career technical education programs with
12 high employment potential. Any reference to “vocational”
13 education or programs in adult education means “career technical”
14 education or programs in adult education.

15 (7) Adult programs for older adults.

16 (8) ~~Adult education~~ *Programs offering pre-apprenticeship*
17 *training activities conducted in coordination with one or more*
18 *apprenticeship programs approved by the Division of*
19 *Apprenticeship Standards for apprentices; the occupation and*
20 *geographic area.*

21 (9) Adult programs in home economics.

22 (10) Adult programs in health and safety education.

23 (b) No state apportionment shall be made for any course or class
24 ~~which~~ *that* is not set forth in subdivision (a).

25 *SEC. 23. Section 42238 of the Education Code is amended to*
26 *read:*

27 42238. (a) For the 1984–85 fiscal year and each fiscal year
28 thereafter, the county superintendent of schools shall determine a
29 revenue limit for each school district in the county pursuant to this
30 section.

31 (b) The base revenue limit for a fiscal year shall be determined
32 by adding to the base revenue limit for the prior fiscal year the
33 following amounts:

34 (1) The inflation adjustment specified in Section 42238.1.

35 (2) For the 1995–96 fiscal year, the equalization adjustment
36 specified in Section 42238.4.

37 (3) For the 1996–97 fiscal year, the equalization adjustments
38 specified in Sections 42238.41, 42238.42, and 42238.43.

1 (4) For the 1985–86 fiscal year, the amount per unit of average
2 daily attendance received in the 1984–85 fiscal year pursuant to
3 Section 42238.7.

4 (5) For the 1985–86, 1986–87, and 1987–88 fiscal years, the
5 amount per unit of average daily attendance received in the prior
6 fiscal year pursuant to Section 42238.8.

7 (6) For the 2004–05 fiscal year, the equalization adjustment
8 specified in Section 42238.44.

9 (7) For the 2006–07 fiscal year, the equalization adjustment
10 specified in Section 42238.48.

11 (8) For the 2011–12 fiscal year, the equalization adjustment
12 specified in Section 42238.49.

13 (c) (1) (A) For the 2010–11 fiscal year, the Superintendent
14 shall compute an add-on for each school district by adding the
15 inflation adjustment specified in Section 42238.1 to the adjustment
16 specified in Section 42238.485.

17 (B) For the 2011–12 fiscal year and each fiscal year thereafter,
18 the Superintendent shall compute an add-on for each school district
19 by adding the inflation adjustment specified in Section 42238.1 to
20 the amount computed pursuant to this paragraph for the prior fiscal
21 year.

22 (2) Commencing with the 2010–11 fiscal year, the
23 Superintendent shall compute an add-on for each school district
24 by dividing each school district's fiscal year average daily
25 attendance computed pursuant to Section 42238.5 by the total
26 adjustments in funding for each district made for the 2007–08
27 fiscal year pursuant to Section 42238.22 as it read on January 1,
28 2009.

29 (d) The sum of the base revenue limit computed pursuant to
30 subdivision (b) and the add-on computed pursuant to subdivision
31 (c) shall be multiplied by the district average daily attendance
32 computed pursuant to Section 42238.5.

33 (e) For districts electing to compute units of average daily
34 attendance pursuant to paragraph (2) of subdivision (a) of Section
35 42238.5, the amount computed pursuant to Article 4 (commencing
36 with Section 42280) shall be added to the amount computed in
37 subdivision (c) or (d), as appropriate.

38 (f) For the 1984–85 fiscal year only, the county superintendent
39 shall reduce the total revenue limit computed in this section by the
40 amount of the decreased employer contributions to the Public

1 Employees' Retirement System resulting from enactment of
2 Chapter 330 of the Statutes of 1982, offset by any increase in those
3 contributions, as of the 1983–84 fiscal year, resulting from
4 subsequent changes in employer contribution rates.

5 (g) The reduction required by subdivision (f) shall be calculated
6 as follows:

7 (1) Determine the amount of employer contributions that would
8 have been made in the 1983–84 fiscal year if the applicable Public
9 Employees' Retirement System employer contribution rate in effect
10 immediately before the enactment of Chapter 330 of the Statutes
11 of 1982 was in effect during the 1983–84 fiscal year.

12 (2) Subtract from the amount determined in paragraph (1) the
13 greater of subparagraph (A) or (B):

14 (A) The amount of employer contributions that would have been
15 made in the 1983–84 fiscal year if the applicable Public
16 Employees' Retirement System employer contribution rate in effect
17 immediately after the enactment of Chapter 330 of the Statutes of
18 1982 was in effect during the 1983–84 fiscal year.

19 (B) The actual amount of employer contributions made to the
20 Public Employees' Retirement System in the 1983–84 fiscal year.

21 (3) For purposes of this subdivision, employer contributions to
22 the Public Employees' Retirement System for either of the
23 following shall be excluded from the calculation specified above:

24 (A) Positions supported totally by federal funds that were subject
25 to supplanting restrictions.

26 (B) Positions supported, to the extent of employer contributions
27 not exceeding twenty-five thousand dollars (\$25,000) by a single
28 educational agency, from a revenue source determined on the basis
29 of equity to be properly excludable from the provisions of this
30 subdivision by the Superintendent with the approval of the Director
31 of Finance.

32 (4) For accounting purposes, the reduction made by this
33 subdivision may be reflected as an expenditure from appropriate
34 sources of revenue as directed by the Superintendent.

35 (h) The Superintendent shall apportion to each school district
36 the amount determined in this section less the sum of:

37 (1) The *school* district's property tax revenue received pursuant
38 to Chapter 3.5 (commencing with Section 75) and Chapter 6
39 (commencing with Section 95) of Part 0.5 of Division 1 of the
40 Revenue and Taxation Code.

1 (2) The amount, if any, received pursuant to Part 18.5
2 (commencing with Section 38101) of Division 2 of the Revenue
3 and Taxation Code.

4 (3) The amount, if any, received pursuant to Chapter 3
5 (commencing with Section 16140) of Part 1 of Division 4 of Title
6 2 of the Government Code.

7 (4) Prior years' taxes and taxes on the unsecured roll.

8 (5) Fifty percent of the amount received pursuant to Section
9 41603.

10 (6) (A) The amount, if any, received pursuant to the Community
11 Redevelopment Law (Part 1 (commencing with Section 33000)
12 of Division 24 of the Health and Safety Code), except for any
13 amount received pursuant to Section 33401 or 33676 of the Health
14 and Safety Code that is used for land acquisition, facility
15 construction, *facility* reconstruction, ~~or facility~~ remodeling,
16 *maintenance*, or deferred maintenance, *and* except for any amount
17 received pursuant to Section 33492.15 of, paragraph (4) of
18 subdivision (a) of Section 33607.5 of, or Section 33607.7 of, the
19 Health and Safety Code that is allocated exclusively for educational
20 facilities.

21 (B) The amount, if any, received pursuant to Sections 34177,
22 34179.5, 34179.6, and 34188 of the Health and Safety Code.

23 (C) The amount, if any, received pursuant to subparagraph (B)
24 of paragraph (3) of subdivision (e) of Section 36 of Article XIII
25 of the California Constitution.

26 (7) For a unified school district, other than a unified school
27 district that has converted all of its schools to charter status
28 pursuant to Section 47606, the amount of statewide average
29 general-purpose funding per unit of average daily attendance
30 received by school districts for each of four grade level ranges, as
31 computed by the department pursuant to Section 47633, multiplied
32 by the average daily attendance, in corresponding grade level
33 ranges, of any pupils who attend charter schools funded pursuant
34 to Chapter 6 (commencing with Section 47630) of Part 26.8 of
35 Division 4 for which the school district is the sponsoring local
36 educational agency, as defined in Section 47632, and who reside
37 in and would otherwise have been eligible to attend a noncharter
38 school of the school district.

39 (i) A transfer of pupils of grades 7 and 8 between an elementary
40 school district and a high school district shall not result in the

1 receiving school district receiving a revenue limit apportionment
2 for those pupils that exceeds 105 percent of the statewide average
3 revenue limit for the type and size of the receiving school district.

4 (j) Commencing with the 2013–14 fiscal year, this section shall
5 be used only for purposes of allocating revenues received pursuant
6 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
7 36 of Article XIII of the California Constitution.

8 (k) This section shall become inoperative on July 1, 2021, and,
9 as of January 1, 2022, is repealed, unless a later enacted statute,
10 that becomes operative on or before January 1, 2022, deletes or
11 extends the dates on which it becomes inoperative and is repealed.

12 *SEC. 24. Section 42238.02 of the Education Code is amended*
13 *to read:*

14 42238.02. (a) The amount computed pursuant to this section
15 shall be known as the school district and charter school local
16 control funding formula.

17 (b) (1) For purposes of this section “unduplicated pupil” means
18 a pupil enrolled in a school district or a charter school who is either
19 classified as an English learner, eligible for a free or reduced-price
20 meal, or is a foster youth. A pupil shall be counted only once for
21 purposes of this section if any of the following apply:

22 (A) The pupil is classified as an English learner and is eligible
23 for a free or reduced-price meal.

24 (B) The pupil is classified as an English learner and is a foster
25 youth.

26 (C) The pupil is eligible for a free or reduced-price meal and is
27 classified as a foster youth.

28 (D) The pupil is classified as an English learner, is eligible for
29 a free or reduced-price meal, and is a foster youth.

30 (2) Under procedures and timeframes established by the
31 Superintendent, commencing with the 2013–14 fiscal year, a school
32 district or charter school shall annually submit its enrolled free
33 and reduced-price meal eligibility, foster youth, and English learner
34 pupil-level records for enrolled pupils to the Superintendent using
35 the California Longitudinal Pupil Achievement Data System.

36 (3) (A) Commencing with the 2013–14 fiscal year, a county
37 office of education shall review and validate certified aggregate
38 English learner, foster youth, and free or reduced-price meal
39 eligible pupil data for school districts and charter schools under
40 its jurisdiction to ensure the data is reported accurately. The

1 Superintendent shall provide each county office of education with
2 appropriate access to school district and charter school data reports
3 in the California Longitudinal Pupil Achievement Data System
4 for purposes of ensuring data reporting accuracy.

5 (B) The Controller shall include the instructions necessary to
6 enforce paragraph (2) in the audit guide required by Section
7 14502.1. The instructions shall include, but are not necessarily
8 limited to, procedures for determining if the English learner, foster
9 youth, and free or reduced-price meal eligible pupil counts are
10 consistent with the school district's or charter school's English
11 learner, foster youth, and free or reduced-price meal eligible pupil
12 records.

13 (4) The Superintendent shall make the calculations pursuant to
14 this section using the data submitted by local educational agencies,
15 including charter schools, through the California Longitudinal
16 Pupil Achievement Data System. Under timeframes and procedures
17 established by the Superintendent, school districts and charter
18 schools may review and revise their submitted data on English
19 learner, foster youth, and free or reduced-price meal eligible pupil
20 counts to ensure the accuracy of data reflected in the California
21 Longitudinal Pupil Achievement Data System.

22 (5) The Superintendent shall annually compute the percentage
23 of unduplicated pupils for each school district and charter school
24 by dividing the enrollment of unduplicated pupils in a school
25 district or charter school by the total enrollment in that school
26 district or charter school pursuant to all of the following:

27 (A) For the 2013–14 fiscal year, divide the sum of unduplicated
28 pupils for the 2013–14 fiscal year by the sum of the total pupil
29 enrollment for the 2013–14 fiscal year.

30 (B) For the 2014–15 fiscal year, divide the sum of unduplicated
31 pupils for the 2013–14 and 2014–15 fiscal years by the sum of the
32 total pupil enrollment for the 2013–14 and 2014–15 fiscal years.

33 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
34 divide the sum of unduplicated pupils for the current fiscal year
35 and the two prior fiscal years by the sum of the total pupil
36 enrollment for the current fiscal year and the two prior fiscal years.

37 (D) (i) For purposes of the quotients determined pursuant to
38 subparagraphs (B) and (C), the Superintendent shall use a school
39 district's or charter school's enrollment of unduplicated pupils and
40 total pupil enrollment in the 2014–15 fiscal year instead of the

1 enrollment of unduplicated pupils and total pupil enrollment in
2 the 2013–14 fiscal year if doing so would yield an overall greater
3 percentage of unduplicated pupils.

4 (ii) It is the intent of the Legislature to review each school
5 district and charter school's enrollment of unduplicated pupils for
6 the 2013–14 and 2014–15 fiscal years and provide one-time
7 funding, if necessary, for a school district or charter school with
8 higher enrollment of unduplicated pupils in the 2014–15 fiscal
9 year as compared to the 2013–14 fiscal year.

10 (6) The data used to determine the percentage of unduplicated
11 pupils shall be final once that data is no longer used in the current
12 fiscal year calculation of the percentage of unduplicated pupils.
13 This paragraph does not apply to a change that is the result of an
14 audit that has been appealed pursuant to Section 41344.

15 (c) Commencing with the 2013–14 fiscal year and each fiscal
16 year thereafter, the Superintendent shall annually calculate a local
17 control funding formula grant for each school district and charter
18 school in the state pursuant to this section.

19 (d) The Superintendent shall compute a grade span adjusted
20 base grant equal to the total of the following amounts:

21 (1) For the 2013–14 fiscal year, a base grant of:

22 (A) Six thousand eight hundred forty-five dollars (\$6,845) for
23 average daily attendance in kindergarten and grades 1 to 3,
24 inclusive.

25 (B) Six thousand nine hundred forty-seven dollars (\$6,947) for
26 average daily attendance in grades 4 to 6, inclusive.

27 (C) Seven thousand one hundred fifty-four dollars (\$7,154) for
28 average daily attendance in grades 7 and 8.

29 (D) Eight thousand two hundred eighty-nine dollars (\$8,289)
30 for average daily attendance in grades 9 to 12, inclusive.

31 (2) In each year the grade span adjusted base grants in paragraph
32 (1) shall be adjusted by the percentage change in the annual average
33 value of the Implicit Price Deflator for State and Local Government
34 Purchases of Goods and Services for the United States, as published
35 by the United States Department of Commerce for the 12-month
36 period ending in the third quarter of the prior fiscal year. This
37 percentage change shall be determined using the latest data
38 available as of May 10 of the preceding fiscal year compared with
39 the annual average value of the same deflator for the 12-month
40 period ending in the third quarter of the second preceding fiscal

1 year, using the latest data available as of May 10 of the preceding
2 fiscal year, as reported by the Department of Finance.

3 (3) (A) The Superintendent shall compute an additional
4 adjustment to the kindergarten and grades 1 to 3, inclusive, base
5 grant as adjusted for inflation pursuant to paragraph (2) equal to
6 10.4 percent. The additional grant shall be calculated by
7 multiplying the kindergarten and grades 1 to 3, inclusive, base
8 grant, as adjusted by paragraph (2), by 10.4 percent.

9 (B) Until paragraph (4) of subdivision (b) of Section 42238.03
10 is effective, as a condition of the receipt of funds in this paragraph,
11 a school district shall make progress toward maintaining an average
12 class enrollment of not more than 24 pupils for each schoolsite in
13 kindergarten and grades 1 to 3, inclusive, unless a collectively
14 bargained alternative annual average class enrollment for each
15 schoolsite in those grades is agreed to by the school district,
16 pursuant to the following calculation:

17 (i) Determine a school district's average class enrollment for
18 each schoolsite for kindergarten and grades 1 to 3, inclusive, in
19 the prior year. For the 2013–14 fiscal year, this amount shall be
20 the average class enrollment for each schoolsite for kindergarten
21 and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

22 (ii) Determine a school district's proportion of total need
23 pursuant to paragraph (2) of subdivision (b) of Section 42238.03.

24 (iii) Determine the percentage of the need calculated in clause
25 (ii) that is met by funding provided to the school district pursuant
26 to paragraph (3) of subdivision (b) of Section 42238.03.

27 (iv) Determine the difference between the amount computed
28 pursuant to clause (i) and an average class enrollment of not more
29 than 24 pupils.

30 (v) Calculate a current year average class enrollment adjustment
31 for each schoolsite for kindergarten and grades 1 to 3, inclusive,
32 equal to the adjustment calculated in clause (iv) multiplied by the
33 percentage determined pursuant to clause (iii).

34 (C) School districts that have an average class enrollment for
35 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
36 24 pupils or less for each schoolsite in the 2012–13 fiscal year,
37 shall be exempt from the requirements of subparagraph (B) so long
38 as the school district continues to maintain an average class
39 enrollment for each schoolsite for kindergarten and grades 1 to 3,

1 inclusive, of not more than 24 pupils, unless a collectively
2 bargained alternative ratio is agreed to by the school district.

3 (D) Upon full implementation of the local control funding
4 formula, as a condition of the receipt of funds in this paragraph,
5 all school districts shall maintain an average class enrollment for
6 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
7 not more than 24 pupils for each schoolsite in kindergarten and
8 grades 1 to 3, inclusive, unless a collectively bargained alternative
9 ratio is agreed to by the school district.

10 (E) The average class enrollment requirement for each schoolsite
11 for kindergarten and grades 1 to 3, inclusive, established pursuant
12 to this paragraph shall not be subject to waiver by the state board
13 pursuant to Section 33050 or by the Superintendent.

14 (F) The Controller shall include the instructions necessary to
15 enforce this paragraph in the audit guide required by Section
16 14502.1. The instructions shall include, but are not necessarily
17 limited to, procedures for determining if the average class
18 enrollment for each schoolsite for kindergarten and grades 1 to 3,
19 inclusive, exceeds 24 pupils, or an alternative average class
20 enrollment for each schoolsite pursuant to a collectively bargained
21 alternative ratio. The procedures for determining average class
22 enrollment for each schoolsite shall include criteria for employing
23 sampling.

24 (4) The Superintendent shall compute an additional adjustment
25 to the base grant for grades 9 to 12, inclusive, as adjusted for
26 inflation pursuant to paragraph (2), equal to 2.6 percent. The
27 additional grant shall be calculated by multiplying the base grant
28 for grades 9 to 12, inclusive, as adjusted by paragraph (2), by 2.6
29 percent.

30 (e) The Superintendent shall compute a supplemental grant
31 add-on equal to 20 percent of the base grants as specified in
32 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
33 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
34 (d), for each school district's or charter school's percentage of
35 unduplicated pupils calculated pursuant to paragraph (5) of
36 subdivision (b). The supplemental grant shall be calculated by
37 multiplying the base grants as specified in subparagraphs (A) to
38 (D), inclusive, of paragraph (1), as adjusted by paragraphs (2) to
39 (4), inclusive, of subdivision (d), by 20 percent and by the
40 percentage of unduplicated pupils calculated pursuant to paragraph

(5) of subdivision (b) in that school district or charter school. The supplemental grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(f) (1) The Superintendent shall compute a concentration grant add-on equal to 50 percent of the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), for each school district's or charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district's or charter school's total enrollment. The concentration grant shall be calculated by multiplying the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), by 50 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the total enrollment in that school district or charter school.

(2) (A) For a charter school physically located in only one school district, the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district in which the charter school is physically located. For a charter school physically located in more than one school district, the charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed that of the school district with the highest percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school districts in which the charter school has a school facility. The concentration grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(B) For purposes of this paragraph and subparagraph (A) of paragraph (1) of subdivision (f) of Section 42238.03, a charter school shall report its physical location to the department under timeframes established by the department. For a charter school authorized by a school district, the department shall include the

1 authorizing school district in the department's determination of
2 physical location. For a charter school authorized on appeal
3 pursuant to subdivision (j) of Section 47605, the department shall
4 include the sponsoring school district in the department's
5 determination of physical location. The reported physical location
6 of the charter school shall be considered final as of the second
7 principal apportionment for that fiscal year. For purposes of this
8 paragraph, the percentage of unduplicated pupils of the school
9 district associated with the charter school pursuant to subparagraph
10 (A) shall be considered final as of the second principal
11 apportionment for that fiscal year.

12 (g) The Superintendent shall compute an add-on to the total
13 sum of a school district's or charter school's base, supplemental,
14 and concentration grants equal to the amount of funding a school
15 district or charter school received from funds allocated pursuant
16 to the Targeted Instructional Improvement Block Grant program,
17 as set forth in Article 6 (commencing with Section 41540) of
18 Chapter 3.2, for the 2012–13 fiscal year, as that article read on
19 January 1, 2013. A school district or charter school shall not receive
20 a total funding amount from this add-on greater than the total
21 amount of funding received by the school district or charter school
22 from that program in the 2012–13 fiscal year. The amount
23 computed pursuant to this subdivision shall reflect the reduction
24 specified in paragraph (2) of subdivision (a) of Section 42238.03.

25 (h) (1) The Superintendent shall compute an add-on to the
26 total sum of a school district's or charter school's base,
27 supplemental, and concentration grants equal to the amount of
28 funding a school district or charter school received from funds
29 allocated pursuant to the Home-to-School Transportation program,
30 as set forth in former Article 2 (commencing with Section 39820)
31 of Chapter 1 of Part 23.5, former Article 10 (commencing with
32 Section 41850) of Chapter 5, and the Small School District
33 Transportation program, as set forth in former Article 4.5
34 (commencing with Section 42290), *as those articles read on*
35 *January 1, 2013*, for the 2012–13 fiscal year. A school district or
36 charter school shall not receive a total funding amount from this
37 add-on greater than the total amount received by the school district
38 or charter school for those programs in the 2012–13 fiscal year.
39 The amount computed pursuant to this subdivision shall reflect

1 the reduction specified in paragraph (2) of subdivision (a) of
2 Section 42238.03.

3 *(2) If a home-to-school transportation joint powers agency,*
4 *established pursuant to Article 1 (commencing with Section 6500)*
5 *of Chapter 5 of Division 7 of Title 1 of the Government Code for*
6 *purposes of providing pupil transportation, received an*
7 *apportionment directly from the Superintendent from any of the*
8 *funding sources specified in paragraph (1) for the 2012–13 fiscal*
9 *year, the joint powers agency may identify the member local*
10 *educational agencies and transfer entitlement to that funding to*
11 *any of those member local educational agencies by reporting to*
12 *the Superintendent, on or before September 30, 2015, the*
13 *reassignment of a specified amount of the joint powers agency's*
14 *2012–13 fiscal year entitlement to the member local educational*
15 *agency. Commencing with the 2015–16 fiscal year, the*
16 *Superintendent shall compute an add-on to the total sum of a*
17 *school district's or charter school's base, supplemental, and*
18 *concentrations grants equal to the amount of the entitlement to*
19 *funding transferred by the joint powers agency to the member*
20 *school district or charter school.*

21 (i) (1) The sum of the local control funding formula rates
22 computed pursuant to subdivisions (c) to (f), inclusive, shall be
23 multiplied by:

24 (A) For school districts, the average daily attendance of the
25 school district in the corresponding grade level ranges computed
26 pursuant to Section 42238.05, excluding the average daily
27 attendance computed pursuant to paragraph (2) of subdivision (a)
28 of Section 42238.05 for purposes of the computation specified in
29 subdivision (d).

30 (B) For charter schools, the total current year average daily
31 attendance in the corresponding grade level ranges.

32 (2) The amount computed pursuant to Article 4 (commencing
33 with Section 42280) shall be added to the amount computed
34 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as
35 multiplied by subparagraph (A) or (B) of paragraph (1), as
36 appropriate.

37 (j) The Superintendent shall adjust the sum of each school
38 district's or charter school's amount determined in subdivisions
39 (g) to (i), inclusive, pursuant to the calculation specified in Section
40 42238.03, less the sum of the following:

1 (1) (A) For school districts, the property tax revenue received
2 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter
3 6 (commencing with Section 95) of Part 0.5 of Division 1 of the
4 Revenue and Taxation Code.

5 (B) For charter schools, the in-lieu property tax amount provided
6 to a charter school pursuant to Section 47635.

7 (2) The amount, if any, received pursuant to Part 18.5
8 (commencing with Section 38101) of Division 2 of the Revenue
9 and Taxation Code.

10 (3) The amount, if any, received pursuant to Chapter 3
11 (commencing with Section 16140) of Part 1 of Division 4 of Title
12 2 of the Government Code.

13 (4) Prior years' taxes and taxes on the unsecured roll.

14 (5) Fifty percent of the amount received pursuant to Section
15 41603.

16 (6) The amount, if any, received pursuant to the Community
17 Redevelopment Law (Part 1 (commencing with Section 33000)
18 of Division 24 of the Health and Safety Code), less any amount
19 received pursuant to Section 33401 or 33676 of the Health and
20 Safety Code that is used for land acquisition, facility construction,
21 reconstruction, or remodeling, or deferred maintenance and that
22 is not an amount received pursuant to Section 33492.15, or
23 paragraph (4) of subdivision (a) of Section 33607.5, or Section
24 33607.7 of the Health and Safety Code that is allocated exclusively
25 for educational facilities.

26 (7) The amount, if any, received pursuant to Sections 34177,
27 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
28 Code.

29 (8) Revenue received pursuant to subparagraph (B) of paragraph
30 (3) of subdivision (e) of Section 36 of Article XIII of the California
31 Constitution.

32 (k) A school district shall annually transfer to each of its charter
33 schools funding in lieu of property taxes pursuant to Section 47635.

34 (l) (1) Nothing in this section shall be interpreted to authorize
35 a school district that receives funding on behalf of a charter school
36 pursuant to Section 47651 to redirect this funding for another
37 purpose unless otherwise authorized in law pursuant to paragraph
38 (2) or pursuant to an agreement between the charter school and its
39 chartering authority.

(2) A school district that received funding on behalf of a locally funded charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013, or a school district that was required to pass through funding to a conversion charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42606, as that section read on January 1, 2013, may annually redirect for another purpose a percentage of the amount of the funding received on behalf of that charter school. The percentage of funding that may be redirected shall be determined pursuant to the following computation:

(A) (i) Determine the sum of the need fulfilled for that charter school pursuant to paragraph (3) of subdivision (b) of Section 42238.03 in the then current fiscal year for the charter school.

(ii) Determine the sum of the need fulfilled in every fiscal year before the then current fiscal year pursuant to paragraph (3) of subdivision (b) of Section 42238.03 adjusted for changes in average daily attendance pursuant to paragraph (3) of subdivision (a) of Section 42238.03 for the charter school.

(iii) Subtract the amount computed pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) of Section 42238.03 from the amount computed for that charter school under the local control funding formula entitlement computed pursuant to subdivision (i) of ~~Section 42238.02~~; *this section*.

(iv) Compute a percentage by dividing the sum of the amounts computed to clauses (i) and (ii) by the amount computed pursuant to clause (iii).

(B) Multiply the percentage computed pursuant to subparagraph (A) by the amount of funding the school district received on behalf of the charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013.

(C) The maximum amount that may be redirected shall be the lesser of the amount of funding the school district received on behalf of the charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on

1 January 1, 2013, or the amount computed pursuant to subparagraph
2 (B).

3 (3) Commencing with the 2013–14 fiscal year, a school district
4 operating one or more affiliated charter schools shall provide each
5 affiliated charter school schoolsite with no less than the amount
6 of funding the schoolsite received pursuant to the charter school
7 block grant in the 2012–13 fiscal year.

8 (m) Any calculations in law that are used for purposes of
9 determining if a local educational agency is an excess tax school
10 entity or basic aid school district, including, but not limited to, this
11 section and Sections 42238.03, 41544, 47632, 47660, 47663,
12 48310, and 48359.5, and Section 95 of the Revenue and Taxation
13 Code, shall be made exclusive of the revenue received pursuant
14 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
15 36 of Article XIII of the California Constitution.

16 (n) The funds apportioned pursuant to this section and Section
17 42238.03 shall be available to implement the activities required
18 pursuant to Article 4.5 (commencing with Section 52060) of
19 Chapter 6.1 of Part 28 of Division 4 of Title 2. 4.

20 (o) A school district that does not receive an apportionment of
21 state funds pursuant to this section, as implemented pursuant to
22 Section 42238.03, excluding funds apportioned pursuant to the
23 requirements of subparagraph (A) of paragraph (2) of subdivision
24 (e) of Section 42238.03, shall be considered a “basic aid school
25 district” or an “excess tax entity.”

26 *SEC. 25. Section 42238.03 of the Education Code is amended*
27 *to read:*

28 42238.03. (a) Commencing with the 2013–14 fiscal year and
29 each fiscal year thereafter, the Superintendent shall calculate a
30 base entitlement for the transition to the local control funding
31 formula for each school district and charter school equal to the
32 sum of the amounts computed pursuant to paragraphs (1) to (4),
33 inclusive. The amounts computed pursuant to paragraphs (1) to
34 (4), inclusive, shall be continuously appropriated pursuant to
35 Section 14002.

36 (1) The current fiscal year base entitlement funding level shall
37 be the sum of all of the following:

38 (A) For school districts, revenue limits in the 2012–13 fiscal
39 year as computed pursuant to Article 2 (commencing with Section
40 42238), as that article read on January 1, 2013, divided by the

1 2012–13 average daily attendance of the school district computed
2 pursuant to Section 42238.05. That quotient shall be multiplied
3 by the current fiscal year average daily attendance of the school
4 district computed pursuant Section 42238.05. A school district's
5 2012–13 fiscal year revenue limit funding shall exclude amounts
6 computed pursuant to Article 4 (commencing with Section 42280).
7 For purposes of this subparagraph, 2012–13 fiscal year average
8 daily attendance and 2012–13 fiscal year revenue limits shall be
9 considered final as of the annual apportionment for the 2012–13
10 fiscal year, as calculated for purposes of the certification required
11 on or before February 20, 2014, pursuant to Sections 41332 and
12 41339.

13 (B) (i) For charter schools, general purpose funding in the
14 2012–13 fiscal year as computed pursuant to Article 2
15 (commencing with Section 47633) of Chapter 6 of Part 26.8 of
16 Division 4, as that article read on January 1, 2013, and the amount
17 of in-lieu property tax provided to the charter school pursuant to
18 Section 47635, as that section read on June 30, 2013, divided by
19 the 2012–13 average daily attendance of the charter school
20 computed pursuant to Section 42238.05. That quotient shall be
21 multiplied by the current fiscal year average daily attendance of
22 the charter school computed pursuant to Section 42238.05. For
23 purposes of this subparagraph, 2012–13 fiscal year average daily
24 attendance and 2012–13 fiscal year general purpose funding, as
25 computed pursuant to Article 2 (commencing with Section 47633)
26 of Chapter 6 of Part 26.8 of Division 4, as that article read on
27 January 1, 2013, shall be considered final as of the annual
28 apportionment for the 2012–13 fiscal year, as calculated for
29 purposes of the certification required on or before February 20,
30 2014, pursuant to Sections 41332 and 41339.

31 (ii) The amount computed pursuant to clause (i) shall exclude
32 funds received by a charter school pursuant to Section 47634.1,
33 as that section read on January 1, 2013.

34 (C) The amount computed pursuant to subparagraph (A) shall
35 exclude funds received pursuant to Section 47633, as that section
36 read on January 1, 2013.

37 (D) For school districts, funding for qualifying necessary small
38 high school and necessary small elementary schools shall be
39 adjusted to reflect the funding levels that correspond to the 2012–13
40 necessary small high school and necessary small elementary school

allowances pursuant to Article 4 (commencing with Section 42280) and *former* Section 42238.146, as those provisions read on January 1, 2013.

(2) (A) Entitlements from items contained in Section 2.00, as adjusted pursuant to Section 12.42, of the Budget Act of 2012 for Items 6110-104-0001, 6110-105-0001, 6110-108-0001, 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001, 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001, 6110-268-0001, and 6360-101-0001, 2012–13 fiscal year funding for the Class Size Reduction Program pursuant to *former* Chapter 6.10 (commencing with Section 52120) of Part 28 of Division 4, as it read on January 1, 2013, and 2012–13 fiscal year funding for pupils enrolled in community day schools who are mandatorily expelled pursuant to subdivision (d) of Section 48915. The entitlement for basic aid school districts shall include the reduction of 8.92 percent as applied pursuant to subparagraph (A) of paragraph (1) of subdivision (a) of Section 89 of Chapter 38 of the Statutes of 2012. For purposes of this subparagraph, 2012–13 fiscal year entitlements shall be considered final as of the annual apportionment for the 2012–13 fiscal year, as calculated for purposes of the certification required on or before February 20, 2014, pursuant to Sections 41332 and 41339.

(B) Commencing with the 2014–15 fiscal year, the entitlements identified in subparagraph (A) shall be adjusted to reflect the exclusion of one-time redevelopment agency liquid asset recovery revenue, pursuant to Section 34179.5 and following, of the Health and Safety Code, before the application of the 8.92-percent reduction applied pursuant to subparagraph (A) of paragraph (1) of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

(3) The allocations pursuant to Sections 42606 and 47634.1, as those sections read on January 1, 2013, divided by the 2012–13 average daily attendance of the charter school computed pursuant to Section 42238.05. That quotient shall be multiplied by the

1 current fiscal year average daily attendance of the charter school
2 computed pursuant to Section 42238.05.

3 (4) The amount allocated to a school district or charter school
4 pursuant to paragraph (3) of subdivision (b) for the fiscal years
5 before the current fiscal year divided by the average daily
6 attendance of the school district or charter school for the fiscal
7 years before the current fiscal year computed pursuant to Section
8 42238.05. That quotient shall be multiplied by the current fiscal
9 year average daily attendance of the school district or charter school
10 computed pursuant to Section 42238.05. *For purposes of this*
11 *paragraph, the amount allocated pursuant to paragraph (3) of*
12 *subdivision (b) for the fiscal years before the current fiscal year,*
13 *and the average daily attendance of the school district or charter*
14 *school for the fiscal years before the current fiscal year, as*
15 *computed pursuant to Section 42238.05, shall be considered final*
16 *as of the third recertification of the annual apportionment.*

17 (5) (A) For the 2013–14 and 2014–15 fiscal years only, a school
18 district that, in the 2012–13 fiscal year, from any of the funding
19 sources identified in paragraph (1) or (2), received funds on behalf
20 of, or provided funds to, a regional occupational center or program
21 joint powers agency established in accordance with Article 1
22 (commencing with Section 6500) of Chapter 5 of Division 7 of
23 Title 1 of the Government Code for purposes of providing
24 instruction to secondary pupils shall not redirect that funding for
25 another purpose unless otherwise authorized in law or pursuant to
26 an agreement between the regional occupational center or program
27 joint powers agency and the contracting school district.

28 (B) For the 2013–14 and 2014–15 fiscal years only, if a regional
29 occupational center or program joint powers agency established
30 in accordance with Article 1 (commencing with Section 6500) of
31 Chapter 5 of Division 7 of Title 1 of the Government Code for
32 purposes of providing instruction to pupils enrolled in grades 9 to
33 12, inclusive, received, in the 2012–13 fiscal year, an
34 apportionment of funds directly from any of the funding sources
35 identified in subparagraph (A) of paragraph (2) of subdivision (a),
36 the Superintendent shall apportion that same amount to the regional
37 occupational center or program joint powers agency.

38 (6) (A) (i) For the 2013–14 and 2014–15 fiscal years only, a
39 school district that, in the 2012–13 fiscal year, from any of the
40 funding sources identified in paragraph (1) or (2), received funds

on behalf of, or provided funds to, a home-to-school transportation joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation shall not redirect that funding for another purpose unless otherwise authorized in law or pursuant to an agreement between the home-to-school transportation joint powers agency and the contracting school district.

(ii) For the 2013–14 and 2014–15 fiscal years only, if a home-to-school transportation joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation received, in the 2012–13 fiscal year, an apportionment of funds directly from the Superintendent from any of the funding sources identified in subparagraph (A) of paragraph (2) of subdivision (a), the Superintendent shall apportion that same amount to the home-to-school transportation joint powers agency.

(iii) If a home-to-school transportation joint powers agency, established pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation, received an apportionment directly from the Superintendent from any of the funding sources specified in subparagraph (A) of paragraph (2) of subdivision (a) for the 2012–13 fiscal year, the joint powers agency may identify the member local educational agencies and transfer entitlement to that funding to any of those member local educational agencies by reporting to the Superintendent, on or before September 30, 2015, the reassignment of a specified amount of the joint powers agency’s 2012–13 fiscal year entitlement to the member local educational agency. Commencing with the 2015–16 fiscal year, the Superintendent shall add the reassigned amounts to the amounts calculated pursuant to subparagraph (A) of paragraph (2) of subdivision (a).

(B) In addition to subparagraph (A), of the funds a school district receives for home-to-school transportation programs the school district shall expend, pursuant to *former* Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5, *former* Article 10 (commencing with Section 41850) of Chapter 5, and the Small School District Transportation program, as set forth in *former*

Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, *as those articles read on January 1, 2013*, no less for those programs than the amount of funds the school district expended for home-to-school transportation in the 2012–13 fiscal year.

(7) For the 2013–14 and 2014–15 fiscal years only, of the funds a school district receives for purposes of regional occupational centers or programs, or adult education, the school district shall expend no less than the amount of funds the school district expended for purposes of regional occupational centers or programs, or adult education, respectively, in the 2012–13 fiscal year. For purposes of this paragraph, a school district may include expenditures made by its county office of education within the school district for purposes of regional occupational centers or programs so long as the total amount of expenditures by the school district and the county office of education equal or exceed the total amount required to be expended for purposes of regional occupational centers or programs pursuant to this paragraph and paragraph (3) of subdivision (k) of Section 2575.

(8) For the 2013–14 and 2014–15 fiscal years only, and for purposes of ensuring the continuity of essential induction and training services for beginning teachers, the Alameda County Superintendent of Schools shall withhold five hundred eighty-one thousand five hundred forty dollars (\$581,540) from the local control funding formula apportionments of the Newark Unified School District, and from those withheld funds shall allocate the following amounts to the following entities:

(A) One hundred forty-seven thousand nine hundred twenty dollars (\$147,920) to the Alameda Unified School District.

(B) One hundred four thousand dollars (\$104,000) to the San Leandro Unified School District.

(C) One hundred sixty-four thousand six hundred twenty dollars (\$164,620) to the Berkeley Unified School District.

(D) One hundred sixty-five thousand dollars (\$165,000) to the San Lorenzo Unified School District.

(b) Compute an annual local control funding formula transition adjustment for each school district and charter school as follows:

(1) Subtract the amount computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (a) from the amount computed for each school district or charter school under the local control

1 funding formula entitlements computed pursuant to Section
2 42238.02. School districts and charter schools with a negative
3 difference shall be deemed to have a zero difference.

4 (2) Each school district's and charter school's total need, as
5 calculated pursuant to paragraph (1), shall be divided by the sum
6 of all school districts' and charter schools' total need to determine
7 the school district's or charter school's respective proportions of
8 total need.

9 (3) (A) Each school district's and charter school's proportion
10 of total need shall be multiplied by any available appropriations
11 specifically made for purposes of this subdivision, and added to
12 the school district's or charter school's funding amounts as
13 calculated pursuant to subdivision (a).

14 (B) For purposes of subparagraph (A), the proportion of total
15 need that is funded from any available appropriations specifically
16 made for purposes of this subdivision for a fiscal year shall be
17 considered fixed as of the second principal apportionment for that
18 fiscal year. Adjustments to a school district's or charter school's
19 total need, as computed pursuant to paragraph (1), subsequent to
20 the second principal apportionment for a fiscal year, shall be funded
21 based on the fixed proportion of total need that is funded for that
22 fiscal year pursuant to this subdivision and shall be continuously
23 appropriated pursuant to Section 14002.

24 (4) If the total amount of funds appropriated for purposes of
25 paragraph (3) pursuant to this subdivision are sufficient to fully
26 fund any positive amounts computed pursuant to paragraph (1),
27 the local control funding formula grant computed pursuant to
28 subdivision (c) of Section 42238.02 shall be adjusted to ensure
29 that any available appropriation authority is expended for purposes
30 of the local control funding formula.

31 (5) Commencing with the first fiscal year after either paragraph
32 (4) of this subdivision or paragraph (2) of subdivision (g) applies,
33 the adjustments in paragraph (2) of subdivision (d) of Section
34 42238.02 shall be made only if an appropriation for those
35 adjustments is included in the annual Budget Act.

36 (c) The Superintendent shall subtract from the amounts
37 computed pursuant to subdivisions (a) and (b) the sum of the
38 following:

39 (1) (A) For school districts, the property tax revenue received
40 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter

1 6 (commencing with Section 95) of Part 0.5 of Division 1 of the
2 Revenue and Taxation Code.

3 (B) For charter schools, the in-lieu property tax amount provided
4 to a charter school pursuant to Section 47635.

5 (2) The amount, if any, received pursuant to Part 18.5
6 (commencing with Section 38101) of Division 2 of the Revenue
7 and Taxation Code.

8 (3) The amount, if any, received pursuant to Chapter 3
9 (commencing with Section 16140) of Part 1 of Division 4 of Title
10 2 of the Government Code.

11 (4) Prior years' taxes and taxes on the unsecured roll.

12 (5) Fifty percent of the amount received pursuant to Section
13 41603.

14 (6) The amount, if any, received pursuant to the Community
15 Redevelopment Law (Part 1 (commencing with Section 33000)
16 of Division 24 of the Health and Safety Code), less any amount
17 received pursuant to Section 33401 or 33676 of the Health and
18 Safety Code that is used for land acquisition, facility construction,
19 reconstruction, or remodeling, or deferred maintenance and that
20 is not an amount received pursuant to Section 33492.15, or
21 paragraph (4) of subdivision (a) of Section 33607.5, or Section
22 33607.7 of the Health and Safety Code that is allocated exclusively
23 for educational facilities.

24 (7) The amount, if any, received pursuant to Sections 34177,
25 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
26 Code.

27 (8) Revenue received pursuant to subparagraph (B) of paragraph
28 (3) of subdivision (e) of Section 36 of Article XIII of the California
29 Constitution.

30 (d) A school district or charter school that has a zero difference
31 pursuant to paragraph (1) of subdivision (b) in the prior fiscal year
32 shall receive an entitlement equal to the amount calculated pursuant
33 to Section 42238.02 in the current fiscal year and future fiscal
34 years.

35 (e) Notwithstanding *paragraph (2) of subdivision (g), or the*
36 *computations pursuant to subdivisions (b) to (d), inclusive, and*
37 *Section 42238.02, commencing with the 2013–14 fiscal year, a*
38 *school district or charter school shall receive state-aid funding of*
39 *no less than the sum of the amounts computed pursuant to*
40 *paragraphs (1) to (3), inclusive.*

1 (1) (A) For school districts, revenue limits in the 2012–13 fiscal
2 year as computed pursuant to Article 2 (commencing with Section
3 42238), as that article read on January 1, 2013, divided by the
4 2012–13 average daily attendance of the school district computed
5 pursuant to Section 42238.05. That quotient shall be multiplied
6 by the current fiscal year average daily attendance of the school
7 district computed pursuant Section 42238.05. A school district's
8 2012–13 revenue limit funding shall exclude amounts computed
9 pursuant to Article 4 (commencing with Section 42280). For
10 purposes of this subparagraph, 2012–13 fiscal year average daily
11 attendance and 2012–13 fiscal year revenue limits shall be
12 considered final as of the annual apportionment for the 2012–13
13 fiscal year, as calculated for purposes of the certification required
14 on or before February 20, 2014, pursuant to Sections 41332 and
15 41339.

16 (B) (i) For charter schools, general purpose funding in the
17 2012–13 fiscal year as computed pursuant to Article 2
18 (commencing with Section 47633) of Chapter 6 of Part 26.8 of
19 Division 4, as that article read on January 1, 2013, and the amount
20 of in-lieu property tax provided to the charter school in the 2012–13
21 fiscal year pursuant to Section 47635, as that section read on
22 January 1, 2013, divided by the 2012–13 average daily attendance
23 of the charter school computed pursuant to Section 42238.05. That
24 quotient shall be multiplied by the current fiscal year average daily
25 attendance of the charter school computed pursuant to Section
26 42238.05. For purposes of this subparagraph, 2012–13 fiscal year
27 average daily attendance and 2012–13 fiscal year general purpose
28 funding, as computed pursuant to Article 2 (commencing with
29 Section 47633) of Chapter 6 of Part 26.8 of Division 4, as that
30 article read on January 1, 2013, shall be considered final as of the
31 annual apportionment for the 2012–13 fiscal year, as calculated
32 for purposes of the certification required on or before February
33 20, 2014, pursuant to Sections 41332 and 41339.

34 (ii) The amount computed pursuant to clause (i) shall exclude
35 funds received by a charter school pursuant to Section 47634.1,
36 as that section read on January 1, 2013.

37 (C) The amount computed pursuant to subparagraph (A) shall
38 exclude funds received pursuant to Section 47633, as that section
39 read on January 1, 2013.

1 (D) For school districts, the 2012–13 funding allowance
2 provided for qualifying necessary small high schools and necessary
3 small elementary schools pursuant to Article 4 (commencing with
4 Section 42280) and Section 42238.146, as those provisions read
5 on January 1, 2013.

6 (E) The amount computed pursuant to subparagraphs (A) to
7 (D), inclusive, shall be reduced by the sum of the amount computed
8 pursuant to paragraphs (1) to (8), inclusive, of subdivision (c).

9 (2) (A) Entitlements from items contained in Section 2.00, as
10 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for
11 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,
12 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,
13 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,
14 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,
15 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,
16 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,
17 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,
18 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,
19 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,
20 6110-268-0001, *and* 6360-101-0001, 2012–13 fiscal year funding
21 for the Class Size Reduction Program pursuant to *former* Chapter
22 6.10 (commencing with Section 52120) of Part 28 of Division 4,
23 as it read on January 1, 2013, and 2012–13 fiscal year funding for
24 pupils enrolled in community day schools who are mandatorily
25 expelled pursuant to subdivision (d) of Section 48915. The
26 entitlement for basic aid school districts shall include the reduction
27 of 8.92 percent as applied pursuant to subparagraph (A) of
28 paragraph (1) of subdivision (a) of Section 89 of Chapter 38 of the
29 Statutes of 2012. For purposes of this subparagraph, 2012–13 fiscal
30 year entitlements shall be considered final as of the annual
31 apportionment for the 2012–13 fiscal year, as calculated for
32 purposes of the certification required on or before February 20,
33 2014, pursuant to Sections 41332 and 41339.

34 (B) Commencing with the 2014–15 fiscal year, the entitlements
35 identified in subparagraph (A) shall be adjusted to reflect the
36 exclusion of one-time redevelopment agency liquid asset recovery
37 revenue, pursuant to Section 34179.5 and following, of the Health
38 and Safety Code, before the application of the 8.92-percent
39 reduction applied pursuant to subparagraph (A) of paragraph (1)
40 of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

(C) The Superintendent shall annually apportion any entitlement provided to the state special schools from the items specified in subparagraph (A) to the state special schools in the same amount as the state special schools received from those items in the 2012–13 fiscal year.

(D) Commencing with the 2015–16 fiscal year, any portion of funding transferred to a school district or charter school by a joint powers agency pursuant to clause (iii) of subparagraph (A) of paragraph (6) of subdivision (a) shall be deemed to be included in the entitlements specified in subparagraph (A) for the school district or charter school.

(3) The allocations pursuant to Sections 42606 and 47634.1, as those sections read on January 1, 2013, divided by the 2012–13 average daily attendance of the charter school. That quotient shall be multiplied by the current fiscal year average daily attendance of the charter school.

(f) (1) For purposes of this section, commencing with the 2013–14 fiscal year and until all school districts and charter schools equal or exceed their local control funding formula target computed pursuant to Section 42238.02, as determined by the calculation of a zero difference pursuant to paragraph (1) of subdivision (b), a newly operational charter school shall be determined to have a prior year *funding amount per unit of average daily attendance* ~~funding amount~~ equal to the lesser of:

(A) The prior year funding amount per unit of average daily attendance for the school district in which the charter school is physically located. The Superintendent shall calculate the funding amount per unit of average daily attendance for this purpose by dividing the total local control funding formula entitlement, calculated pursuant to subdivisions (a) and (b), received by that school district in the prior year by prior year funded average daily attendance of that school district. For purposes of this subparagraph, a charter school that is physically located in more than one school district shall use the calculated local control funding entitlement per unit of average daily attendance of the school district with the highest prior year funding amount per unit of average daily attendance. For purposes of this subparagraph, the prior year funding amount per unit of average daily attendance for the school district in which the charter school is physically

1 located shall be considered final as of the second principal
2 apportionment of the prior fiscal year.

3 (B) The charter school's local control funding formula rate
4 computed pursuant to subdivisions (c) to (i), inclusive, of Section
5 42238.02.

6 (2) For charter schools funded pursuant to paragraph (1), the
7 charter school shall be eligible to receive growth funding pursuant
8 to subdivision (b) toward meeting the newly operational charter
9 school's local control funding formula target.

10 (3) Upon a determination that all school districts and charter
11 schools equal or exceed the local control funding formula target
12 computed pursuant to Section 42238.02, as determined by the
13 calculation of a zero difference pursuant to paragraph (1) of
14 subdivision (b) for all school districts and charter schools, this
15 subdivision shall not apply and the charter school shall receive an
16 allocation equal to the amount calculated under Section 42238.02
17 in that fiscal year and future fiscal years.

18 (4) For purposes of this subdivision, the determination of a
19 charter school's physical location shall be considered final as of
20 the second principal apportionment for the applicable fiscal year.

21 (g) (1) In each fiscal year the Superintendent shall determine
22 the percentage of school districts that are apportioned funding
23 pursuant to this section that is less than the amount computed
24 pursuant to Section 42238.02 as of the second principal
25 apportionments of the fiscal year. If the percentage is less than 10
26 percent, the Superintendent shall apportion funding to school
27 districts and charter schools equal to the amount computed pursuant
28 to Section 42238.02 in that fiscal year.

29 (2) For each fiscal year thereafter, the Superintendent shall
30 apportion funding to a school district and charter school equal to
31 the amount computed pursuant to Section 42238.02.

32 *SEC. 26. Section 44235 of the Education Code is amended to*
33 *read:*

34 44235. (a) Fees shall be levied by the commission for the
35 issuance and renewal of teaching and service credentials.
36 Commencing January 1, 1987, the fee for the issuance and renewal
37 of teaching and service credentials shall be fifty dollars (\$50). In
38 subsequent years, the commission may set a different fee, but in
39 no case shall a fee exceed ~~seventy one hundred dollars (\$70)~~ (\$100)
40 without express legislative approval.

1 (b) A single fee, not to exceed the charge for a single
2 supplemental credential, shall be charged for all supplemental
3 credentials applied for at the same time as a teaching or service
4 credential pursuant to subdivision (a).

5 (c) Subject to funds being appropriated expressly for this
6 purpose in the annual Budget Act, fees authorized by this section
7 shall be waived by the commission for first-time teaching credential
8 applicants for the following credentials:

9 (1) Single subject credential.

10 (2) Multiple subject credential.

11 (3) Special education credential.

12 (4) Specialist instruction credential.

13 (d) Annually, as part of the budget review process, the
14 Department of Finance shall recommend to the Legislature an
15 appropriate credential fee sufficient to generate revenues necessary
16 to support the operating budget of the commission plus a prudent
17 reserve, as determined by the Department of Finance pursuant to
18 subdivision (b) of Section 44234.

19 *SEC. 27. Section 47614.5 of the Education Code is amended*
20 *to read:*

21 47614.5. (a) The Charter School Facility Grant Program is
22 hereby established, and shall be administered by the California
23 School Finance Authority. The grant program is intended to provide
24 assistance with facilities rent and lease costs for pupils in charter
25 schools.

26 (b) Subject to the annual Budget Act, eligible charter schools
27 shall receive an amount of up to, but not more than, seven hundred
28 fifty dollars (\$750) per unit of average daily attendance, as certified
29 at the second principal apportionment, to provide an amount of up
30 to, but not more than, 75 percent of the annual facilities rent and
31 lease costs for the charter school. In any fiscal year, if the funds
32 appropriated for purposes of this section by the annual Budget Act
33 are insufficient to fully fund the approved-amounts amounts, the
34 California School Finance Authority shall apportion the available
35 funds on a pro rata basis.

36 (c) For purposes of this section, the California School Finance
37 Authority shall do all of the following:

38 (1) Inform charter schools of the grant program.

39 (2) Upon application by a charter school, determine eligibility,
40 based on the geographic location of the charter schoolsite, pupil

1 eligibility for free or reduced-price meals, and a preference in
2 admissions, as appropriate. Eligibility for funding shall not be
3 limited to the grade level or levels served by the school whose
4 attendance area is used to determine eligibility. A charter schoolsite
5 is eligible for funding pursuant to this section if the charter
6 schoolsite meets either of the following conditions:

7 (A) The charter schoolsite is physically located in the attendance
8 area of a public elementary school in which ~~70~~ 55 percent or more
9 of the pupil enrollment is eligible for free or reduced-price meals
10 and the charter schoolsite gives a preference in admissions to pupils
11 who are currently enrolled in that public elementary school and to
12 pupils who reside in the elementary school attendance area where
13 the charter schoolsite is located.

14 (B) ~~Seventy-Fifty-five~~ 55 percent or more of the pupil enrollment
15 at the charter schoolsite is eligible for free or reduced-price meals.

16 ~~(C) In any year in which additional funds remain after state and~~
17 ~~federal funds have been allocated to applicants that meet the~~
18 ~~eligibility criteria in subparagraph (A) or (B), the California School~~
19 ~~Finance Authority shall expand eligibility to additional charter~~
20 ~~schools that are eligible pursuant to subparagraph (B) by reducing~~
21 ~~the free and reduced-price meals threshold one percentage point~~
22 ~~at a time, but in no case below 60 percent.~~

23 (3) Inform charter schools of their grant eligibility.

24 (4) Make apportionments to a charter school for eligible
25 expenditures according to the following schedule:

26 (A) An initial apportionment by August 31 of each fiscal year
27 or 30 days after enactment of the annual Budget Act, whichever
28 is later, provided the charter school has submitted a timely
29 application for funding, as determined by the California School
30 Finance Authority. The initial apportionment shall be 50 percent
31 of the charter school's estimated annual entitlement as determined
32 by this section.

33 (B) A second apportionment by March 1 of each fiscal year.
34 This apportionment shall be 75 percent of the charter school's
35 estimated annual entitlement, as adjusted for any revisions in cost,
36 enrollment, and other data relevant to computing the charter
37 school's annual entitlement, less any funding already apportioned
38 to the charter school.

39 (C) A third apportionment within 30 days of the end of each
40 fiscal year or 30 days after receiving the data and documentation

needed to compute the charter school's total annual entitlement, whichever is later. This apportionment shall be the charter school's total annual entitlement less any funding already apportioned to the charter school.

(D) Notwithstanding subparagraph (A), the initial apportionment in the 2013–14 fiscal year shall be made by October 15, 2013, or 105 days after enactment of the Budget Act of 2013, whichever is later.

(d) For purposes of this section:

(1) The California School Finance Authority shall use prior year data on pupil eligibility for free or reduced-price meals ~~for the to determine eligibility pursuant to paragraph (2) of subdivision (c).~~ *A new charter school site and school that was not operational in the prior year shall be eligible in the current year if it meets the free or reduced-price meal eligibility requirements specified in paragraph (2) of subdivision (c) based on current year data. Prior year rent or lease costs provided by charter schools shall be used to determine eligibility for the grant program until current year data and actual rent or lease costs become known or until June 30 of each fiscal year.*

(2) If prior year rent or lease costs are unavailable, and the current year lease and rent costs are not immediately available, the California School Finance Authority shall use rent or lease cost estimates provided by the charter school.

(3) The California School Finance Authority shall verify that the grant amount awarded to each charter school is consistent with eligibility requirements as specified in this section and in regulations adopted by the authority. If it is determined by the California School Finance Authority that a charter school did not receive the proper grant award amount, either the charter school shall transfer funds back to the authority as necessary within 60 days of being notified by the authority, or the authority shall provide an additional apportionment as necessary to the charter school within 60 days of notifying the charter school, subject to the availability of funds.

(e) Funds appropriated for purposes of this section shall not be apportioned for any of the following:

(1) Units of average daily attendance generated through nonclassroom-based instruction as defined by paragraph (2) of subdivision (e) of Section 47612.5 or that does not comply with

1 conditions or limitations set forth in regulations adopted by the
2 state board pursuant to this section.

3 (2) Charter schools occupying existing school district or county
4 office of education facilities, except that charter schools shall be
5 eligible for the portions of their facilities that are not existing
6 school district or county office of education facilities.

7 (3) Charter schools receiving reasonably equivalent facilities
8 from their chartering authorities pursuant to Section 47614, except
9 that charter schools shall be eligible for the portions of their
10 facilities that are not reasonably equivalent facilities received from
11 their chartering authorities.

12 (f) Funds appropriated for purposes of this section shall be used
13 for costs associated with facilities rents and leases, consistent with
14 the definitions used in the California School Accounting Manual
15 or regulations adopted by the California School Finance Authority.
16 These funds also may be used for costs, including, but not limited
17 to, costs associated with remodeling buildings, deferred
18 maintenance, initially installing or extending service systems and
19 other built-in equipment, and improving sites.

20 (g) If an existing charter school located in an elementary
21 attendance area in which less than 50 percent of pupil enrollment
22 is eligible for free or reduced-price meals relocates to an attendance
23 area identified in paragraph (2) of subdivision (c), admissions
24 preference shall be given to pupils who reside in the elementary
25 school attendance area into which the charter school is relocating.

26 (h) The California School Finance Authority annually shall
27 report to the department and the Director of Finance, and post
28 information on its Internet Web site, regarding the use of funds
29 that have been made available during the fiscal year to each charter
30 school pursuant to the grant program.

31 (i) The California School Finance Authority shall annually
32 allocate the facilities grants to eligible charter schools according
33 to the schedule in paragraph (4) of subdivision (c) for the current
34 school year rent and lease costs. However, the California School
35 Finance Authority shall first use the funding appropriated for this
36 program to reimburse eligible charter schools for unreimbursed
37 rent or lease costs for the prior school year.

38 (j) It is the intent of the Legislature that the funding level for
39 the Charter School Facility Grant Program for the 2012–13 fiscal

1 year be considered the base level of funding for subsequent fiscal
2 years.

3 (k) The Controller shall include instructions appropriate to the
4 enforcement of this section in the audit guide required by
5 subdivision (a) of Section 14502.1.

6 ~~+~~ (l) The California School Finance Authority, effective with
7 the 2013–14 fiscal year, shall be considered the senior creditor for
8 purposes of satisfying audit findings pursuant to the audit
9 instructions to be developed pursuant to subdivision (k).

10 (m) The California School Finance Authority may adopt
11 regulations to implement this section. Any regulations adopted
12 pursuant to this section may be adopted as emergency regulations
13 in accordance with the Administrative Procedure Act (Chapter 3.5
14 (commencing with Section 11340) of Part 1 of Division 3 of the
15 Title 2 of the Government Code). The adoption of these regulations
16 shall be deemed to be an emergency and necessary for the
17 immediate preservation of the public peace, health and safety, or
18 general welfare.

19 (n) Notwithstanding any other law, a charter school shall be
20 subject, with regard to this section, to audit conducted pursuant to
21 Section 41020.

22 *SEC. 28. Section 48000 of the Education Code is amended to*
23 *read:*

24 48000. (a) A child shall be admitted to a kindergarten
25 maintained by the school district at the beginning of a school year,
26 or at a later time in the same ~~year~~ *year*; if the child will have his
27 or her fifth birthday on or before one of the following dates:

28 (1) December 2 of the 2011–12 school year.

29 (2) November 1 of the 2012–13 school year.

30 (3) October 1 of the 2013–14 school year.

31 (4) September 1 of the 2014–15 school year and each school
32 year thereafter.

33 (b) The governing board of *the school district* of a school district
34 maintaining one or more kindergartens may, on a case-by-case
35 basis, admit to a kindergarten a child having attained the age of
36 five years at any time during the school year with the approval of
37 the parent or guardian, subject to the following conditions:

38 (1) The governing board of *the school district* determines that
39 the admittance is in the best interests of the child.

1 (2) The parent or guardian is given information regarding the
2 advantages and disadvantages and any other explanatory
3 information about the effect of this early admittance.

4 (c) As a condition of receipt of apportionment for pupils in a
5 transitional kindergarten program pursuant to Section 46300, *and*
6 *Chapter 3 (commencing with Section 47610) of Part 26.8, as*
7 *applicable*, a school district or charter school shall ensure the
8 following:

9 (1) In the 2012–13 school year, a child who will have his or her
10 fifth birthday between November 2 and December 2 shall be
11 admitted to a transitional kindergarten program maintained by the
12 ~~school district.~~ *district or charter school.*

13 (2) In the 2013–14 school year, a child who will have his or her
14 fifth birthday between October 2 and December 2 shall be admitted
15 to a transitional kindergarten program maintained by the school
16 ~~district.~~ *district or charter school.*

17 (3) (A) In the 2014–15 school year and each school year
18 thereafter, a child who will have his or her fifth birthday between
19 September 2 and December 2 shall be admitted to a transitional
20 kindergarten program maintained by the school ~~district.~~ *district*
21 *or charter school.*

22 (B) (i) *For the 2015–16 school year and each school year*
23 *thereafter, a school district or charter school may, at any time*
24 *during a school year, admit a child to a transitional kindergarten*
25 *program who will have his or her fifth birthday after December 2*
26 *but during that same school year, with the approval of the parent*
27 *or guardian, subject to the following conditions:*

28 (I) *The governing board of the school district or the governing*
29 *body of the charter school determines that the admittance is in the*
30 *best interests of the child.*

31 (II) *The parent or guardian is given information regarding the*
32 *advantages and disadvantages and any other explanatory*
33 *information about the effect of this early admittance.*

34 (ii) *Notwithstanding any other law, a pupil admitted to a*
35 *transitional kindergarten program pursuant to clause (i) shall not*
36 *generate average daily attendance for purposes of Section 46300,*
37 *or be included in the enrollment or unduplicated pupil count*
38 *pursuant to Section 42238.02, until the pupil has attained his or*
39 *her fifth birthday, regardless of when the pupil was admitted during*
40 *the school year.*

(d) For purposes of this section, “transitional kindergarten” means the first year of a two-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate.

(e) A transitional kindergarten shall not be construed as a new program or higher level of service.

(f) It is the intent of the Legislature that transitional kindergarten curriculum be aligned to the California Preschool Learning Foundations developed by the department.

(g) As a condition of receipt of apportionment for pupils in a transitional kindergarten program pursuant to Section 46300, a school district or charter school shall ensure that credentialed teachers who are first assigned to a transitional kindergarten classroom after July 1, 2015, have, by August 1, 2020, one of the following:

(1) At least 24 units in early childhood education, or childhood development, or both.

(2) As determined by the local educational agency employing the teacher, professional experience in a classroom setting with preschool age children that is comparable to the 24 units of education described in paragraph (1).

(3) A child development teacher permit issued by the Commission on Teacher Credentialing.

SEC. 29. Section 49430.5 of the Education Code is amended to read:

49430.5. (a) The reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools included within a school district, charter school, or county office of education shall be twenty-two and ~~forty-eight~~ *seventy-one* hundredths cents (~~\$0.2248~~) (*\$0.2271*) per meal, and, for meals served in child care centers and homes, the reimbursement shall be sixteen and ~~seventy-four~~ *ninety-one* hundredths cents (~~\$0.1674~~) (*\$0.1691*) per meal.

(b) To qualify for the reimbursement for free and reduced-price meals provided to pupils in elementary, middle, or high schools, a school shall follow the Enhanced Food Based Meal Pattern, Nutrient Standard Meal Planning, or Traditional Meal Pattern developed by the United States Department of Agriculture or the SHAPE Menu Patterns developed by the state.

(c) The reimbursement rates set forth in this section shall be adjusted annually for increases in cost of living in the same manner set forth in Section 42238.1.

SEC. 30. Section 51745.6 of the Education Code is amended to read:

51745.6. (a) (1) The ratio of average daily attendance for independent study pupils 18 years of age or less to school district full-time equivalent certificated employees responsible for independent study, calculated as specified by the department, shall not exceed the equivalent ratio of average daily attendance to full-time equivalent certificated employees providing instruction in other educational programs operated by the school district, unless a new higher or lower average daily attendance ratio for all other educational programs offered is negotiated in a collective bargaining agreement or a memorandum of understanding is entered into that indicates an existing collective bargaining agreement contains an alternative average daily attendance ratio.

(a)

(2) ~~(1)~~— The ratio of average daily attendance for independent study pupils 18 years of age or less to school district full-time equivalent certificated employees responsible for independent study, for the applicable grade span, calculated as specified by the department, shall not exceed the equivalent ratio of pupils to full-time certificated employees for all other educational programs operated by the school district for the applicable grade span, unless a new higher or lower grade span ratio for all other educational programs offered within the respective grade span is negotiated in a collective bargaining agreement or a memorandum of understanding is entered into that indicates an existing collective bargaining agreement contains an alternative grade span ratio for the applicable grade span. The ratio of average daily attendance for independent study pupils 18 years of age or less to county office of education full-time equivalent certificated employees responsible for independent study, for the applicable grade span, to be calculated in a manner prescribed by the department, shall not exceed the equivalent prior year ratio of pupils average daily attendance to full-time equivalent certificated employees for all other educational programs operated by the high school or unified school district with the largest average daily attendance of pupils in that county for or the applicable grade span, collectively

bargained alternative ratio used by that high school or unified school district in the prior year, unless a new higher or lower-grade span average daily attendance ratio for all other educational programs offered within the respective grade span is negotiated in a collective bargaining agreement or a memorandum of understanding is entered into that indicates an existing collective bargaining agreement contains an alternative-grade-span-ratio for the applicable grade span: average daily attendance ratio. The computation of the ratios shall be performed annually by the reporting agency at the time of, and in connection with, the second principal apportionment report to the Superintendent.

~~(2) For purposes of this section, the following grade spans shall apply:~~

~~(A) Kindergarten and grades 1 to 3, inclusive.~~

~~(B) Grades 4 to 6, inclusive.~~

~~(C) Grades 7 to 8, inclusive.~~

~~(D) Grades 9 to 12, inclusive.~~

(b) Only those units of average daily attendance for independent study that reflect a pupil-teacher ratio that does not exceed the applicable-grade-span ratios described in subdivision (a) shall be eligible for apportionment pursuant to Section 2575, for county offices of education, and Section 42238.05, for school districts. Nothing in this section shall prevent a school district or county office of education from serving additional units of average daily attendance greater than the applicable-grade-span ratios described in subdivision (a), except that those additional units shall not be funded pursuant to Section 2575 or 42238.05, as applicable. If a school district, charter school, or county office of education has a memorandum of understanding to provide instruction in coordination with the school district, charter school, or county office of education at which a pupil is enrolled, then the applicable grade-span ratios that shall apply for purposes of this paragraph are the ratios for the local educational agency providing the independent study program to the pupil pursuant to Section 51749.5.

(c) The calculations performed for purposes of this section shall not include either of the following:

(1) The average daily attendance generated by special education pupils enrolled in special day classes on a full-time basis, or the teachers of those classes.

(2) The average daily attendance or teachers in necessary small schools that are eligible to receive funding pursuant to Article 4 (commencing with Section 42280) of Chapter 7 of Part ~~24~~ *24 of Division 3*.

(d) The applicable ~~pupils-to-certificated-employee-grade-span~~ *average-daily-attendance-to-certificated-employee* ratios described in subdivision (a) may, in a charter school, be calculated by using a fixed ~~——pupils-to-certificated-employee——~~ *average-daily-attendance-to-certificated-employee* ratio of 25 to 1, or by ~~being using~~ *using* a ratio of less than 25 pupils per certificated employee. *A new higher or lower ratio for all other educational programs offered by a charter school may be negotiated in a collective bargaining agreement, or a memorandum of understanding indicating that an existing collective bargaining agreement contains an alternative average daily attendance ratio may be entered into by a charter school.* All charter school pupils, regardless of age, shall be included in the applicable ~~pupil-to-certificated-employee——grade——span~~ *average-daily-attendance-to-certificate-employee* ratio calculations.

SEC. 31. Section 52052 of the Education Code is amended to read:

52052. (a) (1) The Superintendent, with *the* approval of the state board, shall develop an Academic Performance Index (API), to measure the performance of schools and school districts, especially the academic performance of pupils.

(2) A school or school district shall demonstrate comparable improvement in academic achievement as measured by the API by all numerically significant pupil subgroups at the school or school district, including:

(A) Ethnic subgroups.

(B) Socioeconomically disadvantaged pupils.

(C) English learners.

(D) Pupils with disabilities.

(E) Foster youth.

(F) *Homeless youth.*

(3) (A) For purposes of this section, a numerically significant pupil subgroup is one that consists of at least 30 pupils, each of whom has a valid test score.

1 (B) Notwithstanding subparagraph (A), for a subgroup of pupils
2 who are foster *youth or homeless* youth, a numerically significant
3 pupil subgroup is one that consists of at least 15 pupils.

4 (C) For a school or school district with an API score that is
5 based on no fewer than 11 and no more than 99 pupils with valid
6 test scores, numerically significant pupil subgroups shall be defined
7 by the Superintendent, with approval by the state board.

8 (4) (A) The API shall consist of a variety of indicators currently
9 reported to the department, including, but not limited to, the results
10 of the achievement test administered pursuant to Section 60640,
11 attendance rates for pupils in elementary schools, middle schools,
12 and secondary schools, and the graduation rates for pupils in
13 secondary schools.

14 (B) The Superintendent, with the approval of the state board,
15 may also incorporate into the API the rates at which pupils
16 successfully promote from one grade to the next in middle school
17 and high school, and successfully matriculate from middle school
18 to high school.

19 (C) Graduation rates for pupils in secondary schools shall be
20 calculated for the API as follows:

21 (i) Four-year graduation rates shall be calculated by taking the
22 number of pupils who graduated on time for the current school
23 year, which is considered to be three school years after the pupils
24 entered grade 9 for the first time, and dividing that number by the
25 total calculated in clause (ii).

26 (ii) The number of pupils entering grade 9 for the first time in
27 the school year three school years before the current school year,
28 plus the number of pupils who transferred into the class graduating
29 at the end of the current school year between the school year that
30 was three school years before the current school year and the date
31 of graduation, less the number of pupils who transferred out of the
32 school between the school year that was three school years before
33 the current school year and the date of graduation who were
34 members of the class that is graduating at the end of the current
35 school year.

36 (iii) Five-year graduation rates shall be calculated by taking the
37 number of pupils who graduated on time for the current school
38 year, which is considered to be four school years after the pupils
39 entered grade 9 for the first time, and dividing that number by the
40 total calculated in clause (iv).

(iv) The number of pupils entering grade 9 for the first time in the school year four years before the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school year between the school year that was four school years before the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was four years before the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.

(v) Six-year graduation rates shall be calculated by taking the number of pupils who graduated on time for the current school year, which is considered to be five school years after the pupils entered grade 9 for the first time, and dividing that number by the total calculated in clause (vi).

(vi) The number of pupils entering grade 9 for the first time in the school year five years before the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school year between the school year that was five school years before the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was five years before the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.

(D) The inclusion of five- and six-year graduation rates for pupils in secondary schools shall meet the following requirements:

(i) Schools and school districts shall be granted one-half the credit in their API scores for graduating pupils in five years that they are granted for graduating pupils in four years.

(ii) Schools and school districts shall be granted one-quarter the credit in their API scores for graduating pupils in six years that they are granted for graduating pupils in four years.

(iii) Notwithstanding clauses (i) and (ii), schools and school districts shall be granted full credit in their API scores for graduating in five or six years a pupil with disabilities who graduates in accordance with his or her individualized education program.

(E) The pupil data collected for the API that comes from the achievement test administered pursuant to Section 60640 and the high school exit examination administered pursuant to Section 60851, when fully implemented, shall be disaggregated by special

1 education status, English learners, socioeconomic status, gender,
2 and ethnic group. Only the test scores of pupils who were counted
3 as part of the enrollment in the annual data collection of the
4 California Basic Educational Data System for the current fiscal
5 year and who were continuously enrolled during that year may be
6 included in the test result reports in the API score of the school.

7 (F) (i) Commencing with the baseline API calculation in 2016,
8 and for each year thereafter, results of the achievement test and
9 other tests specified in subdivision (b) shall constitute no more
10 than 60 percent of the value of the index for secondary schools.

11 (ii) In addition to the elements required by this paragraph, the
12 Superintendent, with *the* approval of the state board, may
13 incorporate into the index for secondary schools valid, reliable,
14 and stable measures of pupil preparedness for postsecondary
15 education and career.

16 (G) Results of the achievement test and other tests specified in
17 subdivision (b) shall constitute at least 60 percent of the value of
18 the index for primary schools and middle schools.

19 (H) It is the intent of the Legislature that the state's system of
20 public school accountability be more closely aligned with both the
21 public's expectations for public education and the workforce needs
22 of the state's economy. It is therefore necessary that the
23 accountability system evolve beyond its narrow focus on pupil test
24 scores to encompass other valuable information about school
25 performance, including, but not limited to, pupil preparedness for
26 college and career, as well as the high school graduation rates
27 already required by law.

28 (I) The Superintendent shall annually determine the accuracy
29 of the graduation rate data. Notwithstanding any other law,
30 graduation rates for pupils in dropout recovery high schools shall
31 not be included in the API. For purposes of this subparagraph,
32 "dropout recovery high school" means a high school in which 50
33 percent or more of its pupils have been designated as dropouts
34 pursuant to the exit/withdrawal codes developed by the department
35 or left a school and were not otherwise enrolled in a school for a
36 period of at least 180 days.

37 (J) To complement the API, the Superintendent, with the
38 approval of the state board, may develop and implement a program
39 of school quality review that features locally convened panels to
40 visit schools, observe teachers, interview pupils, and examine pupil

1 work, if an appropriation for this purpose is made in the annual
2 Budget Act.

3 (K) The Superintendent shall annually provide to local
4 educational agencies and the public a transparent and
5 understandable explanation of the individual components of the
6 API and their relative values within the API.

7 (L) An additional element chosen by the Superintendent and
8 the state board for inclusion in the API pursuant to this paragraph
9 shall not be incorporated into the API until at least one full school
10 year after the state board's decision to include the element into the
11 API.

12 (b) Pupil scores from the following tests, when available and
13 when found to be valid and reliable for this purpose, shall be
14 incorporated into the API:

15 (1) The standards-based achievement tests provided for in
16 Section 60642.5.

17 (2) The high school exit examination.

18 (c) Based on the API, the Superintendent shall develop, and the
19 state board shall adopt, expected annual percentage growth targets
20 for all schools based on their API baseline score from the previous
21 year. Schools are expected to meet these growth targets through
22 effective allocation of available resources. For schools below the
23 statewide API performance target adopted by the state board
24 pursuant to subdivision (d), the minimum annual percentage growth
25 target shall be 5 percent of the difference between the actual API
26 score of a school and the statewide API performance target, or one
27 API point, whichever is greater. Schools at or above the statewide
28 API performance target shall have, as their growth target,
29 maintenance of their API score above the statewide API
30 performance target. However, the state board may set differential
31 growth targets based on grade level of instruction and may set
32 higher growth targets for the lowest performing schools because
33 they have the greatest room for improvement. To meet its growth
34 target, a school shall demonstrate that the annual growth in its API
35 is equal to or more than its schoolwide annual percentage growth
36 target and that all numerically significant pupil subgroups, as
37 defined in subdivision (a), are making comparable improvement.

38 (d) Upon adoption of state performance standards by the state
39 board, the Superintendent shall recommend, and the state board
40 shall adopt, a statewide API performance target that includes

1 consideration of performance standards and represents the
2 proficiency level required to meet the state performance target.

3 (e) (1) A school or school district with 11 to 99 pupils with
4 valid test scores shall receive an API score with an asterisk that
5 indicates less statistical certainty than API scores based on 100 or
6 more test scores.

7 (2) A school or school district annually shall receive an API
8 score, unless the Superintendent determines that an API score
9 would be an invalid measure of the performance of the school or
10 school district for one or more of the following reasons:

11 (A) Irregularities in testing procedures occurred.

12 (B) The data used to calculate the API score of the school or
13 school district are not representative of the pupil population at the
14 school or school district.

15 (C) Significant demographic changes in the pupil population
16 render year-to-year comparisons of pupil performance invalid.

17 (D) The department discovers or receives information indicating
18 that the integrity of the API score has been compromised.

19 (E) Insufficient pupil participation in the assessments included
20 in the API.

21 (F) A transition to new standards-based assessments
22 compromises comparability of results across schools or school
23 districts. The Superintendent may use the authority in this
24 subparagraph in the 2013–14 and 2014–15 school years only, with
25 *the* approval of the state board.

26 (3) If a school or school district has fewer than 100 pupils with
27 valid test scores, the calculation of the API or adequate yearly
28 progress pursuant to the federal No Child Left Behind Act of 2001
29 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be
30 calculated over more than one annual administration of the tests
31 administered pursuant to Section 60640 and the high school exit
32 examination administered pursuant to Section 60851, consistent
33 with regulations adopted by the state board.

34 (4) Any school or school district that does not receive an API
35 calculated pursuant to subparagraph (F) of paragraph (2) shall not
36 receive an API growth target pursuant to subdivision (c). Schools
37 and school districts that do not have an API calculated pursuant
38 to subparagraph (F) of paragraph (2) shall use one of the following:

39 (A) The most recent API calculation.

40 (B) An average of the three most recent annual API calculations.

1 (C) Alternative measures that show increases in pupil academic
2 achievement for all groups of pupils schoolwide and among
3 significant subgroups.

4 (f) Only schools with 100 or more test scores contributing to
5 the API may be included in the API rankings.

6 (g) The Superintendent, with the approval of the state board,
7 shall develop an alternative accountability system for schools under
8 the jurisdiction of a county board of education or a county
9 superintendent of schools, community day schools, nonpublic,
10 nonsectarian schools pursuant to Section 56366, and alternative
11 schools serving high-risk pupils, including continuation high
12 schools and opportunity schools. Schools in the alternative
13 accountability system may receive an API score, but shall not be
14 included in the API rankings.

15 (h) For purposes of this section, county offices of education
16 shall be considered school districts.

17 (i) *For purposes of this section, “homeless youth” has the same*
18 *meaning as in Section 11434a(2) of Title 42 of the United States*
19 *Code.*

20 *SEC. 32. Section 52064.5 of the Education Code is amended*
21 *to read:*

22 52064.5. (a) On or before October 1, ~~2015~~, 2016, the state
23 board shall adopt evaluation rubrics for all of the following
24 purposes:

25 (1) To assist a school district, county office of education, or
26 charter school in evaluating its strengths, weaknesses, and areas
27 that require improvement.

28 (2) To assist a county superintendent of schools in identifying
29 school districts and charter schools in need of technical assistance
30 pursuant to Section 52071 or 47607.3, as applicable, and the
31 specific priorities upon which the technical assistance should be
32 focused.

33 (3) To assist the Superintendent in identifying school districts
34 for which intervention pursuant to Section 52072 is warranted.

35 (b) The evaluation rubrics shall reflect a holistic,
36 multidimensional assessment of school district and individual
37 schoolsite performance and shall include all of the state priorities
38 described in subdivision (d) of Section 52060.

39 (c) As part of the evaluation rubrics, the state board shall adopt
40 standards for school district and individual schoolsite performance

1 and ~~expectation~~ *expectations* for improvement in regard to each
2 of the state priorities described in subdivision (d) of Section 52060.

3 *SEC. 33. Section 52501.5 of the Education Code is amended*
4 *to read:*

5 52501.5. (a) Except as provided in subdivision (b), ~~no~~ revenue
6 derived from the average daily attendance of adult education
7 programs shall *not* be expended for other than adult education
8 purposes, ~~nor shall revenue derived from other average daily~~
9 ~~attendance be expended for adult education purposes.~~

10 (b) When a district's adult revenue limit as allowed by Section
11 52616 is composed of average daily attendance from both a
12 regional occupational center or program and an adult education
13 program, the adult revenue limit income may be allocated to each
14 program in a proportion other than the amount of adult revenue
15 limit per average daily attendance otherwise allocable thereto.

16 *SEC. 34. Section 52616 of the Education Code is amended to*
17 *read:*

18 52616. (a) Notwithstanding any other ~~provision~~ of law,
19 commencing July 1, 1993, the Superintendent of Public Instruction
20 shall determine an adult block entitlement, to be paid from
21 appropriations to Section A of the State School Fund as part of the
22 principal apportionment to school districts, for those school districts
23 that maintain education programs for adults by multiplying the
24 adult education revenue limit per unit of average daily attendance
25 determined pursuant to Section 52616.16 and the adult education
26 average daily attendance determined pursuant to Section 52616.17.

27 (b) The adult block entitlement shall be deposited in a separate
28 fund of the school district to be known as the "adult education
29 fund." Money in an adult education fund shall be expended only
30 for adult education purposes. ~~Moneys~~ *Except for moneys* received
31 *pursuant to the local control funding formula, moneys received*
32 *for programs other than adult education shall not be expended for*
33 *adult education.*

34 *SEC. 35. Section 53011 of the Education Code is amended to*
35 *read:*

36 53011. Contingent upon funding provided for this purpose in
37 the annual Budget Act, the department shall administer the
38 California Career Pathways Trust as a competitive grant program
39 for kindergarten and grades 1 to 14, inclusive. *Funds appropriated*
40 *in Item 6110-280-0001 of Section 2.00 of the Budget Act of 2014*

1 *shall be available for expenditure in the 2014–15 fiscal year to*
2 *the 2016–17 fiscal year, inclusive.* Recipients shall do all of the
3 following:

4 (a) Prioritize work-based learning opportunities, as defined in
5 Section 51760.1, for pupils and students in partnership with
6 regional business and industry, state and local governmental
7 entities, and nonprofit and community-based organizations.

8 (b) Define the labor market of the regional economy in a manner
9 that identifies high-skill, high-wage, high-growth jobs in the current
10 regional economy or in emerging economic sectors.

11 (c) Establish or strengthen existing regional collaborative
12 relationships and partnerships among business entities, schools
13 serving pupils in kindergarten and grades 1 to 12, inclusive, and
14 postsecondary educational agencies, organizations that provide
15 apprenticeship opportunities, and nonprofit or government entities.

16 (d) Develop and integrate standards-based academics with a
17 career-relevant, sequenced curriculum following industry-themed
18 pathways that are aligned to high-skill, high-wage, high-growth
19 jobs in the current regional economy, or in emerging regional
20 economic sectors.

21 (e) Provide articulated pathways from high school to
22 postsecondary education and training that are aligned with the
23 workforce development needs of regional economies.

24 (f) Ensure that career pathway programs are designed and
25 implemented in a manner that leads students to a postsecondary
26 degree or certification in a high-skill, high-wage, and high-growth
27 or emerging field.

28 (g) Leverage and build on any of the following:

29 (1) Existing structures, requirements, and resources of the Carl
30 D. Perkins Career and Technical Education Improvement Act of
31 2006, California Partnership Academies, and Regional
32 Occupational Centers and Programs.

33 (2) The California Community Colleges Economic and
34 Workforce Development Program.

35 (3) Matching resources and in-kind contributions from public,
36 private, and philanthropic sources.

37 *SEC. 36. Chapter 16.5 (commencing with Section 53070) is*
38 *added to Part 28 of Division 4 of Title 2 of the Education Code,*
39 *to read:*

1
2 *CHAPTER 16.5. CALIFORNIA CAREER TECHNICAL EDUCATION*
3 *INCENTIVE GRANT PROGRAM*
4

5 53070. (a) *The California Career Technical Education*
6 *Incentive Grant Program is hereby established as a state education,*
7 *economic, and workforce development initiative with the goal of*
8 *providing pupils in kindergarten and grades 1 to 12, inclusive,*
9 *with the knowledge and skills necessary to transition to employment*
10 *and postsecondary education. The purpose of this program is to*
11 *encourage and maintain the delivery of career technical education*
12 *programs during implementation of the school district and charter*
13 *school local control funding formula pursuant to Section 42238.02.*
14 *There is hereby appropriated to the department from the General*
15 *Fund for the program established pursuant to this chapter the*
16 *following amounts:*

17 (1) *For the 2015–16 fiscal year, four hundred million dollars*
18 *(\$400,000,000).*

19 (2) *For the 2016–17 fiscal year, three hundred million dollars*
20 *(\$300,000,000).*

21 (3) *For the 2017–18 fiscal year, two hundred million dollars*
22 *(\$200,000,000).*

23 (b) *Of the amounts appropriated in paragraphs (1) through (3),*
24 *inclusive, of subdivision (a), 4 percent is designated for applicants*
25 *with average daily attendance of less than or equal to 140, 8*
26 *percent is designated for applicants with average daily attendance*
27 *of more than 140 and less than or equal to 550, and 88 percent is*
28 *designated for applicants with average daily attendance of more*
29 *than 550. For purposes of this section, average daily attendance*
30 *shall be those figures that are reported at the time of the second*
31 *principal apportionment for the previous fiscal year for pupils in*
32 *grades 7 to 12, inclusive. For any applicant consisting of more*
33 *than one school district, county office of education, charter school,*
34 *or regional occupational center or program operated by a joint*
35 *powers authority, or of any combination of those entities, the sum*
36 *of the average daily attendance for each of the constituent entities*
37 *shall be used for purposes of this subdivision.*

38 53071. *The department shall administer this program as a*
39 *competitive grant program. An applicant shall demonstrate all of*
40 *the following to be considered for a grant award:*

1 (a) (1) A proportional dollar-for-dollar match as follows for
2 any funding received from this program:

3 (A) For the fiscal year beginning July 1, 2015, one dollar (\$1)
4 for every one dollar (\$1) received from this program.

5 (B) For the fiscal year beginning July 1, 2016, one dollar and
6 fifty cents (\$1.50) for every one dollar (\$1) received from this
7 program.

8 (C) For the fiscal year beginning July 1, 2017, two dollars (\$2)
9 for every one dollar (\$1) received from this program.

10 (2) That local match may include funding from school district
11 and charter school local control funding formula apportionments
12 pursuant to Section 42238.02, the federal Carl D. Perkins Career
13 and Technical Education Improvement Act of 2006, the California
14 Partnership Academies, the Agricultural Career Technical
15 Education Incentive Grant, or any other source except as provided
16 in paragraph (3).

17 (3) That local match shall not include funding from the
18 California Career Pathways Trust established pursuant to Section
19 53010.

20 (b) At least a three-year plan for continued support of career
21 technical education programs after grant funding expires. The
22 plan, at a minimum, shall include the identification of available
23 funding within an applicant's current or projected budget to
24 continue to support career technical education programs and a
25 written commitment to do so. If an applicant consisting of more
26 than one school district, county office of education, charter school,
27 or regional occupational center or program operated by a joint
28 powers authority, or any combination of these entities, is applying
29 for grant funding from this program, identification of available
30 funding and a written commitment must be demonstrated by each
31 participating constituent entity.

32 (c) The applicant, or the applicant's career technical education
33 program, as applicable, meets all of the following minimum
34 eligibility standards:

35 (1) Offers high quality curriculum and instruction aligned with
36 the California Career Technical Education Model Curriculum
37 Standards, including, but not limited to, providing a coherent
38 sequence of career technical education courses that enable pupils
39 to transition to postsecondary education programs that lead to a

1 *career pathway or attain employment upon graduation from high*
2 *school.*

3 *(2) Provides pupils with quality career exploration and*
4 *guidance.*

5 *(3) Provides pupil support services, including counseling and*
6 *leadership development.*

7 *(4) Provides for system alignment, coherence, and articulation,*
8 *including ongoing and structural regional or local partnerships*
9 *with postsecondary educational institutions, documented through*
10 *formal written agreements.*

11 *(5) Forms ongoing and structural industry and labor*
12 *partnerships, documented through formal written agreements and*
13 *through participation on advisory committees.*

14 *(6) Provides opportunities for pupils to participate in after*
15 *school, extended day, and out-of-school internships, competitions,*
16 *and other work-based learning opportunities.*

17 *(7) Reflects regional or local labor market demands and focuses*
18 *on current or emerging high-skill, high-wage, or high-demand*
19 *occupations.*

20 *(8) Leads to an industry-recognized credential or certificate,*
21 *or appropriate postsecondary training or employment.*

22 *(9) Is staffed by skilled teachers or faculty and provides*
23 *professional development opportunities for those teachers or*
24 *faculty members.*

25 *(10) (A) Reports data, as a program participation requirement,*
26 *to allow for an evaluation of the program.*

27 *(B) Data reported pursuant to this paragraph shall include, but*
28 *not be limited to, metrics aligned with the core metrics required*
29 *by the federal Workforce Innovation and Opportunity Act and the*
30 *quality indicators described in the California State Plan for Career*
31 *Technical Education required by the federal Carl D. Perkins*
32 *Career and Technical Education Improvement Act of 2006, and*
33 *the following metrics:*

34 *(i) The number of pupils completing high school.*

35 *(ii) The number of pupils completing career technical education*
36 *coursework.*

37 *(iii) The number of pupils obtaining an industry-recognized*
38 *credential, certificate, license, or other measure of technical skill*
39 *attainment.*

1 (iv) *The number of former pupils employed and the types of*
2 *businesses in which they are employed.*

3 (v) *The number of former pupils enrolled in a postsecondary*
4 *educational institution, a state apprenticeship program, or another*
5 *form of job training.*

6 53072. *A grant recipient under this chapter may consist of one*
7 *or more, or any combination, of the following:*

8 (a) *School districts.*

9 (b) *County offices of education.*

10 (c) *Charter schools.*

11 (d) *Regional occupational centers or programs operated by*
12 *joint powers authorities, provided that the application has the*
13 *written consent of each participating local educational agency.*

14 53073. (a) *An applicant receiving a grant from this program*
15 *in the 2015–16 fiscal year shall be eligible to receive a renewal*
16 *grant in the 2016–17 fiscal year and in the 2017–18 fiscal year.*
17 *An applicant that does not receive a grant in the 2015–16 fiscal*
18 *year, but receives a grant in the 2016–17 fiscal year, shall be*
19 *eligible to receive a renewal grant in the 2017–18 fiscal year. No*
20 *applicant shall be eligible for a renewal grant in the 2018–19*
21 *fiscal year.*

22 (b) (1) *The department, in collaboration with the state board,*
23 *shall determine renewal grant eligibility using metrics identified*
24 *pursuant to paragraph (10) of subdivision (c) of Section 53071.*

25 (2) *If an applicant for a renewal grant is subject to the*
26 *requirements of Sections 52060 and 52061, Sections 52066 and*
27 *52067, or Section 47606.5, the inclusion of career technical*
28 *education programs in the applicant's local control and*
29 *accountability plan shall be required to be eligible for a renewal*
30 *grant.*

31 53074. *The department shall consult with entities having career*
32 *technical education expertise, including, but not necessarily limited*
33 *to, the Chancellor of the California Community Colleges, state*
34 *workforce investment organizations, and organizations*
35 *representing business in the development of the request for grant*
36 *applications and in the consideration of grant applications under*
37 *this chapter. The department shall annually submit its list of*
38 *recommended new and renewal grant recipients to the state board*
39 *for review and approval before making annual grant awards.*

1 53075. (a) When determining grant recipients, the department
2 and the state board shall do both of the following:

3 (1) Give positive consideration to each of the following
4 characteristics in an applicant:

5 (A) Did not operate a career technical education program
6 during the 2014–15 fiscal year.

7 (B) Serving unduplicated pupils as defined in Section 42238.02.

8 (C) Serving pupil subgroups that have higher than average
9 dropout rates as identified by the Superintendent.

10 (D) Located in an area of the state with a high unemployment
11 rate.

12 (2) Give positive consideration to programs to the extent they
13 do any of the following:

14 (A) Successfully leverage one or both of the following:

15 (i) Existing structures, requirements, and resources of the
16 federal Carl D. Perkins Career and Technical Education
17 Improvement Act of 2006, California Partnership Academies, or
18 Agricultural Career Technical Education Incentive Grants.

19 (ii) Contributions from industry, labor, and philanthropic
20 sources.

21 (B) Engage in regional collaboration with postsecondary
22 education or other local educational agencies.

23 (C) Make significant investment in career technical education
24 infrastructure and equipment.

25 (D) Operate within rural school districts.

26 (b) When determining grant recipients, the department and the
27 state board shall give greatest weight to the applicant
28 characteristics included in paragraph (1) of subdivision (a).

29 53076. For purposes of administering the program established
30 by this chapter, the Superintendent may do any of the following:

31 (a) Determine, in collaboration with the executive director of
32 the state board, specific funding amounts and the number of grants
33 to be awarded.

34 (b) Distribute funding on a multiyear schedule, establish a
35 process for monitoring the use of the funding, and, if necessary,
36 cease distribution of funding and recover previously distributed
37 funding in the case of a recipient's failure to comply with a grant
38 prerequisite or minimum standard.

39 (c) Require grant recipients to submit program reports.

1 (d) Set aside up to 1 percent of the total amount provided for
2 the program for one or both of the following purposes:

3 (1) To provide planning grants.

4 (2) To contract with a local educational agency for the provision
5 of technical assistance to applicants and grant recipients.

6 SEC. 37. Section 60212 is added to the Education Code, to
7 read:

8 60212. For purposes of adopting basic instructional materials
9 for history-social science pursuant to Section 60200, all of the
10 following shall apply:

11 (a) (1) The department shall provide notice, pursuant to
12 paragraph (2), to all publishers or manufacturers known to
13 produce basic instructional materials in that subject, post an
14 appropriate notice on the Internet Web site of the department, and
15 take other reasonable measures to ensure that appropriate notice
16 is widely circulated to potentially interested publishers and
17 manufacturers.

18 (2) The notice shall specify that each publisher or manufacturer
19 choosing to participate in the adoption process shall be assessed
20 a fee based on the number of programs the publisher or
21 manufacturer indicates will be submitted for review and the number
22 of grade levels proposed to be covered by each program.

23 (b) The department, before incurring substantial costs for the
24 adoption process, shall require that a publisher or manufacturer
25 that wishes to participate in the adoption process first declare the
26 intent to submit one or more specific programs for adoption and
27 specify the specific grade levels to be covered by each program.

28 (c) After a publisher or manufacturer has declared its intent to
29 submit one or more programs and the grade levels to be covered
30 by each program, the department shall assess a fee that shall be
31 payable by the publisher or manufacturer even if the publisher or
32 manufacturer subsequently chooses to withdraw a program or
33 reduce the number of grade levels covered.

34 (d) The fee assessed pursuant to subdivision (c) shall be in an
35 amount that does not exceed the reasonable costs to the department
36 in conducting the adoption process. The department shall take
37 reasonable steps to limit costs of the adoption and to keep the fee
38 modest.

1 (e) A submission by a publisher or manufacturer shall not be
2 reviewed for purposes of adoption until the fee assessed pursuant
3 to subdivision (c) has been paid in full.

4 (f) (1) Upon the request of a small publisher or small
5 manufacturer, the state board may reduce the fee for participation
6 in the adoption.

7 (2) For purposes of this section, “small publisher” and “small
8 manufacturer” mean an independently owned or operated
9 publisher or manufacturer that is not dominant in its field of
10 operation and that, together with its affiliates, has 100 or fewer
11 employees, and has average annual gross receipts of ten million
12 dollars (\$10,000,000) or less over the previous three years.

13 (g) If the department determines that there is little or no interest
14 in participating in an adoption by publishers and manufacturers,
15 the department shall recommend to the state board whether or not
16 the adoption shall be conducted, and the state board may choose
17 not to conduct the adoption.

18 (h) Revenue derived from fees assessed pursuant to subdivision
19 (c) shall be budgeted as reimbursements and subject to review
20 through the annual budget process, and may be used to pay for
21 costs associated with any adoption and for any costs associated
22 with the review of instructional materials, including costs of
23 substitutes for teacher reviewers and stipends for content review
24 experts.

25 SEC. 38. Section 84830 of the Education Code is amended to
26 read:

27 84830. (a) The Chancellor of the California Community
28 Colleges and the State Department of Education shall, pursuant to
29 funding made available in the annual Budget Act, jointly provide
30 two-year planning and implementation grants to regional consortia
31 of community college districts and school districts for the purpose
32 of developing regional plans to better serve the educational needs
33 of adults.

34 (1) Eligibility shall be limited to consortia consisting of at least
35 one community college district and at least one school district
36 within the boundaries of the community college district, either of
37 which may serve as the consortium’s fiscal agent, as determined
38 by the applicant consortium.

39 (2) If a community college district chooses not to participate in
40 a consortium, a neighboring community college district may form

1 a consortium with school districts within the boundaries of the
2 nonparticipating community college district.

3 (3) Consortia may include other entities providing adult
4 education courses, including, but not necessarily limited to,
5 correctional facilities, other local public entities, and
6 community-based organizations.

7 (b) Grant funds provided pursuant to this section shall be used
8 by each regional consortium to create and implement a plan to
9 better provide adults in its region with all of the following:

10 (1) Elementary and secondary basic skills, including classes
11 required for a high school diploma or high school equivalency
12 certificate.

13 (2) Classes and courses for immigrants eligible for educational
14 services in citizenship and English as a second language, and
15 workforce preparation classes in basic skills.

16 (3) Education programs for adults with disabilities.

17 (4) Short-term career technical education programs with high
18 employment potential.

19 (5) Programs *offering pre-apprenticeship training activities*
20 *conducted in coordination with one or more apprenticeship*
21 *programs approved by the Division of Apprenticeship Standards*
22 *for apprentices; the occupation and geographic area.*

23 (c) (1) The classes and courses described in paragraphs (1) and
24 (2) of subdivision (b) shall distribute basic information on
25 American government and civics that includes, but is not limited
26 to, instruction on all of the following:

27 (A) Federal, state, and local government.

28 (B) The three branches of government.

29 (C) The importance of civic engagement.

30 (D) Registering to vote.

31 (2) It is the intent of the Legislature that, consistent with the
32 requirements of Sections 51225.3 and 52555, students enrolled in
33 classes and courses described in paragraphs (1) and (2) of
34 subdivision (b) in which instruction in American government and
35 civics is appropriate shall receive instruction in American
36 government and civics.

37 (d) Each regional consortium's plan shall include, at a minimum:

38 (1) An evaluation of current levels and types of adult education
39 programs within its region, including education for adults in
40 correctional facilities; credit, noncredit, and enhanced noncredit

1 adult education coursework; and programs funded through Title
2 II of the federal Workforce Investment Act of 1998, known as the
3 Adult Education and Family Literacy Act (Public Law 105-220).

4 (2) An evaluation of current needs for adult education programs
5 within its region.

6 (3) Plans for parties that make up the consortium to integrate
7 their existing programs and create seamless transitions into
8 postsecondary education or the workforce.

9 (4) Plans to address the gaps identified pursuant to paragraphs
10 (1) and (2).

11 (5) Plans to employ approaches proven to accelerate a student's
12 progress toward his or her academic or career goals, such as
13 contextualized basic skills and career technical education, and
14 other joint programming strategies between adult education and
15 career technical education.

16 (6) Plans to collaborate in the provision of ongoing professional
17 development opportunities for faculty and other staff to help them
18 achieve greater program integration and improve student outcomes.

19 (7) Plans to leverage existing regional structures, including, but
20 not necessarily limited to, local workforce investment areas.

21 (e) The Chancellor of the California Community Colleges and
22 the State Department of Education may identify additional elements
23 that consortia must include in a plan.

24 (f) (1) On or before March 1, 2014, the Chancellor of the
25 California Community Colleges and the State Department of
26 Education shall submit a joint report to the Legislature and the
27 Governor. This report shall include, but not necessarily be limited
28 to, both of the following:

29 (A) The status of developing regional consortia across the state,
30 including identification of unserved geographic areas or emerging
31 gaps in regional program delivery.

32 (B) The status and allocation of grant awards made to regional
33 consortia.

34 (2) The report shall be submitted to the Legislature as provided
35 in Section 9795 of the Government Code.

36 (g) (1) On or before March 1, 2015, the Chancellor of the
37 California Community Colleges and the State Department of
38 Education shall submit a joint report to the Legislature and the
39 Governor. This report shall include, but is not limited to, both of
40 the following:

1 (A) The plans developed by regional consortia across the state.

2 (B) Recommendations for additional improvements in the
3 delivery system serving adult learners.

4 (2) The report shall be submitted to the Legislature as provided
5 in Section 9795 of the Government Code.

6 (h) It is the intent of the Legislature to work toward developing
7 common policies related to adult education affecting adult schools
8 at local educational agencies and community colleges, including
9 policies on fees and funding levels.

10 (i) It is the intent of the Legislature to provide additional funding
11 in the 2015–16 fiscal year to regional consortia to expand and
12 improve the provision of adult education.

13 *SEC. 39. Article 9 (commencing with Section 84900) is added*
14 *to Chapter 5 of Part 50 of Division 7 of Title 3 of the Education*
15 *Code, to read:*

16
17 *Article 9. Adult Education Block Grant Program*
18

19 *84900. The Adult Education Block Grant Program is hereby*
20 *established under the administration of the Chancellor of the*
21 *California Community Colleges and the Superintendent of Public*
22 *Instruction.*

23 *84901. For purposes of this article, the following definitions*
24 *shall apply, unless otherwise specified:*

25 (a) “Adult” means a person 18 years of age or older.

26 (b) “Consortium” means an adult education consortium
27 approved pursuant to this article.

28 (c) “Executive director” means the executive director of the
29 State Board of Education.

30 (d) “Program” means the Adult Education Block Grant
31 Program established by Section 84900.

32 *84902. (a) The chancellor and the Superintendent are the state*
33 *officials responsible for identifying and understanding the*
34 *educational needs of adults in the state.*

35 (b) *The chancellor and the Superintendent shall use the powers*
36 *provided by this article to support the effective provision of services*
37 *that address the educational needs of adults in all regions of the*
38 *state.*

1 (c) *In performing duties under this article, the chancellor and*
2 *the Superintendent shall seek advice from, and coordinate with,*
3 *other state officials responsible for programs for adults.*

4 84903. (a) *The chancellor and the Superintendent, with the*
5 *advice of the executive director, shall divide the state into adult*
6 *education regions and shall determine the physical boundaries of*
7 *each region.*

8 (b) *When determining the boundaries of the adult education*
9 *regions, the chancellor and the Superintendent shall consider*
10 *factors that impact the provision of adult education, including all*
11 *of the following:*

12 (1) *Economic and demographic factors, including the locations*
13 *of regional labor markets.*

14 (2) *The boundaries of regions used to distribute funds for other*
15 *state programs.*

16 (3) *The presence of adult education providers that have*
17 *demonstrated effectiveness in meeting the educational needs of*
18 *adults.*

19 (c) *Until otherwise determined by the chancellor and the*
20 *Superintendent, the physical boundaries of the adult education*
21 *regions shall be the same as the physical boundaries of the regions*
22 *established for purposes of providing planning and implementation*
23 *grants pursuant to Section 84830.*

24 84904. (a) *The chancellor and the Superintendent, with the*
25 *advice of the executive director, shall approve one adult education*
26 *consortium in each adult education region.*

27 (b) *Until otherwise determined by the chancellor and the*
28 *Superintendent, the consortia to which planning and*
29 *implementation grants were apportioned pursuant to Section 84830*
30 *shall be deemed approved for purposes of this section.*

31 84905. *The chancellor and the Superintendent, with the advice*
32 *of the executive director, shall approve, for each consortium, rules*
33 *and procedures that adhere to all of the following conditions:*

34 (a) *Any community college district, school district, or county*
35 *office of education, or any joint powers authority consisting of*
36 *community college districts, school districts, county offices of*
37 *education, or a combination of these, located within the boundaries*
38 *of the adult education region shall be permitted to join the*
39 *consortium as a member.*

1 (b) As a condition of joining a consortium, a member shall
2 commit to reporting any funds available to that member for the
3 purposes of education and workforce services for adults and the
4 uses of those funds.

5 (c) A member of the consortium shall be represented only by
6 an official designated by the governing board of the member.

7 (d) (1) Decisionmaking procedures are specified that ensure
8 that all of the following conditions are satisfied:

9 (A) All members of the consortium shall participate in any
10 decision made by the consortium.

11 (B) A proposed decision is considered at an open, properly
12 noticed public meeting of the consortium at which members of the
13 public may comment.

14 (C) The consortium has provided the public with adequate notice
15 of a proposed decision and considered any comments submitted
16 by members of the public, and any comments submitted by members
17 of the public have been distributed publicly.

18 (D) (i) The consortium has requested comments regarding a
19 proposed decision from other entities located in the adult education
20 region that provide education and workforce services for adults.

21 (ii) The consortium has considered and responded to any
22 comments submitted by entities pursuant to clause (i).

23 (iii) For purposes of this subparagraph, entities that provide
24 education and workforce services to adults include, but are not
25 necessarily limited to, local public agencies, departments, and
26 offices, particularly those with responsibility for local public safety
27 and social services; workforce investment boards; libraries; and
28 community-based organizations.

29 (E) A decision is final.

30 (2) For purposes of this subdivision, a decision includes
31 approval of an adult education plan pursuant to Section 84906
32 and approval of a distribution schedule pursuant to Section 84913.

33 (e) The members of the consortium may decide to designate a
34 member to serve as the fund administrator to receive and distribute
35 funds from the program.

36 84906. (a) As a condition of receipt of an apportionment of
37 funds from this program for a fiscal year, the members of a
38 consortium shall have approved an adult education plan that
39 addresses that fiscal year.

40 (b) An adult education plan shall include all of the following:

1 (1) *An evaluation of the educational needs of adults in the*
2 *region.*

3 (2) *A list of the following:*

4 (A) *Entities that provide education and workforce services to*
5 *adults in the region.*

6 (B) *Entities that are impacted by, or that have a fundamental*
7 *interest in, the provision of those services.*

8 (3) *A description of the services provided by entities listed*
9 *pursuant to paragraph (2).*

10 (4) *An evaluation of current levels and types of education and*
11 *workforce services for adults in the region.*

12 (5) *An evaluation of the funds available to the members of the*
13 *consortium and the entities listed pursuant to paragraph (2),*
14 *including funds other than those apportioned pursuant to this*
15 *article.*

16 (6) *Actions that the members of the consortium will take to*
17 *address the educational needs identified pursuant to paragraph*
18 *(1).*

19 (7) *Actions that the members of the consortium will take to*
20 *improve the effectiveness of their services.*

21 (8) *Actions that the members of the consortium, the entities*
22 *listed pursuant to paragraph (2), and other interested parties will*
23 *take to improve integration of services and to improve transitions*
24 *into postsecondary education and the workforce, including actions*
25 *related to all of the following:*

26 (A) *Placement of adults seeking education and workforce*
27 *services into adult education programs.*

28 (B) *Alignment of academic standards and curricula for*
29 *programs across entities that provide education and workforce*
30 *services to adults.*

31 (C) *Qualifications of instructors, including common standards*
32 *across entities that provide education and workforce services to*
33 *adults.*

34 (D) *Collection and availability of data.*

35 (9) *A description of the alignment of adult education services*
36 *supported by this program with those described in other education*
37 *and workforce plans guiding services in the region, including plans*
38 *pertaining to the building of career pathways and the employment*
39 *of workforce sector strategies and those required pursuant to the*

1 *federal Workforce Innovation and Opportunity Act (Public Law*
2 *113-128).*

3 *(10) A description of the ways in which each of the entities*
4 *identified in paragraph (2) contributed to the development of the*
5 *plan.*

6 *(c) The members of a consortium shall approve an adult*
7 *education plan at least once every three years. The plan shall be*
8 *updated at least once each year based on available data.*

9 *(d) For the 2015–16, 2016–17, and 2017–18 fiscal years, a*
10 *regional plan developed pursuant to Section 84830 shall satisfy*
11 *the requirements of this section.*

12 *84907. No later than July 31, 2015, the chancellor and the*
13 *Superintendent, with the advice of the executive director, shall*
14 *certify, for each school district and county office of education, the*
15 *amount of state funds required to be expended for adult education*
16 *pursuant to paragraph (7) of subdivision (a) of Section 42238.03,*
17 *and paragraph (3) of subdivision (k) of Section 2575, respectively.*

18 *84908. (a) If the total amount certified for all school districts*
19 *and county offices of education pursuant to Section 84907 is less*
20 *than three hundred seventy-five million dollars (\$375,000,000),*
21 *the chancellor and the Superintendent shall do both of the*
22 *following:*

23 *(1) Apportion funds appropriated for the program in the Budget*
24 *Act of 2015, no later than August 30, 2015, to each school district*
25 *or county office of education in an amount equal to the amount*
26 *certified for that school district or county office of education*
27 *pursuant to Section 84907. As a condition of receipt of an*
28 *apportionment, a school district or county office of education is*
29 *required to be a member of a consortium.*

30 *(2) (A) (i) With the concurrence of the executive director,*
31 *approve a schedule of allocations to each consortium, no later*
32 *than October 30, 2015, of any funds appropriated for the program*
33 *in the Budget Act of 2015 that remain after funds have been*
34 *apportioned pursuant to paragraph (1).*

35 *(ii) The chancellor and the Superintendent shall determine the*
36 *amount to be allocated to each consortium pursuant to this*
37 *paragraph based on that adult education region's share of the*
38 *statewide need for adult education.*

1 (B) Using the schedule approved pursuant to subparagraph
2 (A), the chancellor and the Superintendent shall do one of the
3 following for each consortium:

4 (i) Apportion funds to a fund administrator designated by the
5 members of a consortium beginning no more than 30 days after
6 approval of the schedule pursuant to subparagraph (A).

7 (ii) Apportion funds to members of a consortium beginning no
8 more than 30 days after receipt of a final distribution schedule
9 from that consortium.

10 (b) If the total amount certified for all school districts and county
11 offices of education pursuant to Section 84907 equals or exceeds
12 three hundred seventy-five million dollars (\$375,000,000), the
13 chancellor and the Superintendent shall do both of the following:

14 (1) Apportion funds appropriated for the program in the Budget
15 Act of 2015, no later than August 30, 2015, to each school district
16 or county office of education in an amount equal to the amount
17 certified for that school district or county office of education
18 pursuant to Section 84907 multiplied by three hundred seventy-five
19 million dollars (\$375,000,000), divided by the total amount
20 certified for all school districts and county offices of education
21 pursuant to Section 84907.

22 (2) (A) (i) With the concurrence of the executive director,
23 approve a schedule of allocations to each consortium, no later
24 than October 30, 2015, of any funds appropriated for this program
25 in the Budget Act of 2015 that remain after funds have been
26 apportioned pursuant to paragraph (1).

27 (ii) The chancellor and the Superintendent shall determine the
28 amount to be allocated to each consortium pursuant to this
29 paragraph based on that adult education region's share of the
30 statewide need for adult education.

31 (B) Using the schedule approved pursuant to subparagraph
32 (A), the chancellor and the Superintendent shall do one of the
33 following for each consortium:

34 (i) Apportion funds to a fund administrator designated by the
35 members of a consortium beginning no more than 30 days after
36 approval of the schedule pursuant to subparagraph (A).

37 (ii) Apportion funds to members of a consortium beginning no
38 more than 30 days after receipt of a final distribution schedule
39 from that consortium.

1 (c) *This section shall become inoperative on July 1, 2016, and,*
2 *as of January 1, 2017, is repealed, unless a later enacted statute,*
3 *that becomes operative on or before January 1, 2017, deletes or*
4 *extends the dates on which it becomes inoperative and is repealed.*

5 84909. (a) *This section shall apply commencing with the*
6 *2016–17 fiscal year.*

7 (b) *The chancellor and the Superintendent, with the advice of*
8 *the executive director, shall approve, no later than February 28*
9 *of the prior fiscal year, a preliminary schedule of allocations to*
10 *each consortium of any funds proposed in the Governor’s Budget*
11 *for the program.*

12 (c) *The chancellor and the Superintendent, with the advice of*
13 *the executive director, shall approve, within 15 days of enactment*
14 *of the annual Budget Act, a final schedule of allocations to each*
15 *consortium of any funds appropriated by the Legislature for the*
16 *program.*

17 (d) *The chancellor and the Superintendent shall determine the*
18 *amount to be allocated to each consortium based on the following:*

19 (1) *The amount of funds apportioned to the members of that*
20 *consortium in the immediately preceding fiscal year.*

21 (2) *That adult education region’s share of the statewide need*
22 *for adult education.*

23 (3) *That consortium’s effectiveness in meeting the educational*
24 *needs of adults in the adult education region based on available*
25 *data.*

26 (e) *Using the final schedule approved pursuant to subdivision*
27 *(c), the chancellor and the Superintendent shall do one of the*
28 *following for each consortium:*

29 (1) *Apportion funds to a fund administrator designated by the*
30 *members of a consortium beginning no more than 30 days after*
31 *approval of the final schedule of allocations.*

32 (2) *Apportion funds to members of a consortium beginning no*
33 *more than 30 days after receipt of a final distribution schedule*
34 *from that consortium.*

35 84910. *The chancellor and the Superintendent shall, when*
36 *approving a schedule of allocations for a fiscal year, also present*
37 *preliminary projections for the amounts that would be allocated*
38 *in the subsequent two fiscal years. This preliminary presentation*
39 *shall not constitute a binding commitment of funds.*

1 84911. To determine the need for adult education, the
2 chancellor and the Superintendent shall consider, at a minimum,
3 measures related to adult population, employment, immigration,
4 educational attainment, and adult literacy.

5 84912. The chancellor and the Superintendent shall apportion
6 funds appropriated for the program in a given year in compliance
7 with all of the following:

8 (a) No more than one-twelfth of the total amount appropriated
9 shall have been apportioned by the end of July.

10 (b) No more than one-sixth of the total amount appropriated
11 shall have been apportioned by the end of August.

12 (c) No more than one-quarter of the total amount appropriated
13 shall have been apportioned by the end of September.

14 (d) No more than one-third of the total amount appropriated
15 shall have been apportioned by the end of October.

16 (e) No more than five-twelfths of the total amount appropriated
17 shall have been apportioned by the end of November.

18 (f) No more than one-half of the total amount appropriated shall
19 have been apportioned by the end of December.

20 (g) No more than seven-twelfths of the total amount
21 appropriated shall have been apportioned by the end of January.

22 (h) No more than two-thirds of the total amount appropriated
23 shall have been apportioned by the end of February.

24 (i) No more than three-quarters of the total amount appropriated
25 shall have been apportioned by the end of March.

26 (j) No more than five-sixths of the total amount appropriated
27 shall have been apportioned by the end of April.

28 (k) No more than eleven-twelfths of the total amount
29 appropriated shall have been apportioned by the end of May.

30 84913. (a) Funds apportioned for the program shall be used
31 only for support of the following:

32 (1) Programs in elementary and secondary basic skills,
33 including programs leading to a high school diploma or high
34 school equivalency certificate.

35 (2) Programs for immigrants eligible for educational services
36 in citizenship, English as a second language, and workforce
37 preparation.

38 (3) Programs for adults, including, but not limited to, older
39 adults, that are primarily related to entry or reentry into the
40 workforce.

1 (4) *Programs for adults, including, but not limited to, older*
2 *adults, that are primarily designed to develop knowledge and skills*
3 *to assist elementary and secondary school children to succeed*
4 *academically in school.*

5 (5) *Programs for adults with disabilities.*

6 (6) *Programs in career technical education that are short term*
7 *in nature and have high employment potential.*

8 (7) *Programs offering preapprenticeship training activities*
9 *conducted in coordination with one or more apprenticeship*
10 *programs approved by the Division of Apprenticeship Standards*
11 *for the occupation and geographic area.*

12 (b) *A consortium may use no more than 5 percent of funds*
13 *allocated in a given fiscal year for the sum of the following:*

14 (1) *The costs of administration of these programs.*

15 (2) *The costs of the consortium.*

16 84914. (a) *As a condition of receipt of an apportionment from*
17 *the program, a consortium shall approve a distribution schedule*
18 *that includes both of the following:*

19 (1) *The amount of funds to be distributed to each member of*
20 *the consortium for that fiscal year.*

21 (2) *A narrative justifying how the planned allocations are*
22 *consistent with the adult education plan.*

23 (b) (1) *For any fiscal year for which the chancellor and the*
24 *Superintendent allocate an amount of funds to the consortium*
25 *greater than the amount allocated in the prior fiscal year, the*
26 *amount of funds to be distributed to a member of that consortium*
27 *shall be equal to or greater than the amount distributed in the*
28 *prior fiscal year, unless the consortium makes at least one of the*
29 *following findings related to the member for which the distribution*
30 *would be reduced:*

31 (A) *The member no longer wishes to provide services consistent*
32 *with the adult education plan.*

33 (B) *The member cannot provide services that address the needs*
34 *identified in the adult education plan.*

35 (C) *The member has been consistently ineffective in providing*
36 *services that address the needs identified in the adult education*
37 *plan and reasonable interventions have not resulted in*
38 *improvements.*

39 (2) *For any year for which the chancellor and the*
40 *Superintendent allocate an amount of funds to the consortium less*

1 *than the amount allocated in the prior year, the amount of funds*
2 *to be distributed to a member of that consortium shall not be*
3 *reduced by a percentage greater than the percentage by which the*
4 *total amount of funds allocated to the consortium decreased, unless*
5 *the consortium makes at least one of the following findings related*
6 *to the member for which the distribution would be reduced further:*

7 (A) *The member no longer wishes to provide services consistent*
8 *with the adult education plan.*

9 (B) *The member cannot provide services that address the needs*
10 *identified in the adult education plan.*

11 (C) *The member has been ineffective in providing services that*
12 *address the needs identified in the adult education plan and*
13 *reasonable interventions have not resulted in improvements.*

14 (c) *A distribution schedule shall also include preliminary*
15 *projections of the amount of funds that would be distributed to*
16 *each member of the consortium in each of the subsequent two fiscal*
17 *years. The preliminary projections shall not constitute a binding*
18 *commitment of funds.*

19 84915. (a) *It is the intent of the Legislature to coordinate*
20 *programs that support education and workforce services for adults.*

21 (b) *No later than January 31, 2016, the chancellor and the*
22 *Superintendent shall submit to the Director of Finance, to the State*
23 *Board of Education, and, in conformity with Section 9795 of the*
24 *Government Code, to the Legislature a plan approved by the*
25 *chancellor and the Superintendent to distribute funds from the*
26 *following programs to the consortia:*

27 (1) (A) *The federal Adult Education and Family Literacy Act*
28 *(Title II of the federal Workforce Innovation and Opportunity Act).*

29 (B) *The plan for allocating funds under this paragraph shall*
30 *comply with the criteria enumerated in subsection (e) of Section*
31 *3321 of Title 29 of the United States Code related to base*
32 *disbursement of these funds.*

33 (2) *The federal Carl D. Perkins Career and Technical Education*
34 *Act (Public Law 109-270).*

35 84916. *In order to maximize the benefits derived from public*
36 *funds provided for the purpose of addressing the educational needs*
37 *of adults and to ensure the efficient and coordinated use of*
38 *resources, it is the intent and expectation of the Legislature that*
39 *any community college district, school district, or county office of*
40 *education, or any joint powers authority consisting of community*

1 college districts, school districts, county offices of education, or
2 a combination of these, located within the boundaries of the adult
3 education region shall be a member of a consortium pursuant to
4 this article if it receives funds from any of the following programs
5 or allocations:

6 (a) The Adults in Correctional Facilities program.

7 (b) The federal Adult Education and Family Literacy Act (Title
8 II of the federal Workforce Innovation and Opportunity Act).

9 (c) The federal Carl D. Perkins Career and Technical Education
10 Act (Public Law 109-270).

11 (d) Local Control Funding Formula apportionments received
12 for students who are 19 years of age or older.

13 (e) Community college apportionments received for providing
14 instruction in courses in the areas listed in subdivision (a) of
15 Section 84913.

16 (f) State funds for remedial education and job training services
17 for participants in the CalWORKs program.

18 84917. (a) To inform actions taken by the Governor and the
19 Legislature related to adult education, the chancellor and the
20 Superintendent shall submit to the Director of Finance, to the State
21 Board of Education, and, in conformity with Section 9795 of the
22 Government Code, to the Legislature, by September 30 following
23 any fiscal year for which funds are appropriated for the program,
24 a report about the use of these funds and outcomes for adults
25 statewide and in each adult education region. The report shall
26 include at least all of the following:

27 (1) A summary of the adult education plan operative for each
28 consortium.

29 (2) The distribution schedule for each consortium.

30 (3) The types and levels of services provided by each consortium.

31 (4) The effectiveness of each consortium in meeting the
32 educational needs of adults in its respective region.

33 (5) Any recommendations related to delivery of education and
34 workforce services for adults, including recommendations related
35 to improved alignment of state programs.

36 (b) (1) The chancellor and the Superintendent may require a
37 consortium, as a condition of receipt of an apportionment, to
38 submit any reports or data necessary to produce the report
39 described in subdivision (a).

1 (2) *The chancellor and the Superintendent shall align the data*
2 *used to produce the report described in subdivision (a) with data*
3 *reported by local educational agencies for other purposes, such*
4 *as data used for purposes of the federal Workforce Opportunity*
5 *and Innovation Act (Public Law 113-128).*

6 (3) *The Employment Development Department and the*
7 *California Workforce Investment Board shall provide any*
8 *assistance needed to align delivery of services across state and*
9 *regional workforce, education, and job service programs.*

10 SEC. 40. *Section 84920 is added to the Education Code, to*
11 *read:*

12 84920. (a) *To the extent that one-time funding is made*
13 *available in the Budget Act of 2015, consistent with the provisions*
14 *of Section 84917, the chancellor and the Superintendent shall*
15 *identify common measures for determining the effectiveness of*
16 *members of each consortium in meeting the educational needs of*
17 *adults. At a minimum, the chancellor and the Superintendent shall*
18 *accomplish both of the following:*

19 (1) *Define the specific data each consortium shall collect.*

20 (2) *Establish a menu of common assessments and policies*
21 *regarding placement of adults seeking education and workforce*
22 *services into adult education programs to be used by each*
23 *consortium to measure educational needs of adults and the*
24 *effectiveness of providers in addressing those needs.*

25 (b) *It is the intent of the Legislature that both of the following*
26 *occur:*

27 (1) *That the educational needs of adults in the state be better*
28 *identified and understood through better sharing of data across*
29 *state agencies.*

30 (2) *That, at a minimum, the chancellor and the Superintendent*
31 *shall enter into agreements to share data related to effectiveness*
32 *of the consortia between their agencies and with other state*
33 *agencies, including, but not necessarily limited to, the Employment*
34 *Development Department and the California Workforce Investment*
35 *Board.*

36 (c) *The chancellor and the Superintendent shall identify, no*
37 *later than January 1, 2016, the measures for assessing the*
38 *effectiveness of consortia that will be used in the report that,*
39 *pursuant to Section 84917, is to be submitted by September 30,*

1 2016. These measures shall include, but not necessarily be limited
2 to, all of the following:

3 (1) How many adults are served by members of the consortium.

4 (2) How many adults served by members of the consortium have
5 demonstrated the following:

6 (A) Improved literacy skills.

7 (B) Completion of high school diplomas or their recognized
8 equivalents.

9 (C) Completion of postsecondary certificates, degrees, or
10 training programs.

11 (D) Placement into jobs.

12 (E) Improved wages.

13 (d) No later than November 1, 2015, the chancellor and the
14 Superintendent shall submit to the Director of Finance, the state
15 board, and the appropriate policy and fiscal committees in the
16 Legislature a report of its progress in meeting the requirements
17 of subdivisions (a) and (b).

18 (e) The chancellor and the Superintendent shall apportion the
19 funds appropriated for purposes of this section in the Budget Act
20 of 2015 in accordance with both of the following:

21 (1) Eighty-five percent of these funds shall be used for grants
22 to consortia to establish systems or obtain data necessary to submit
23 any reports or data required pursuant to subdivision (b) of Section
24 84917.

25 (2) Fifteen percent of these funds shall be used for grants for
26 development of statewide policies and procedures related to data
27 collection or reporting or for technical assistance to consortia, or
28 both.

29 (f) The chancellor and the Superintendent shall provide any
30 guidance to the consortia necessary to support the sharing of data
31 included in systems established by consortia pursuant to this
32 section across consortia.

33 SEC. 41. Section 17581.6 of the Government Code is amended
34 to read:

35 17581.6. (a) Funding apportioned pursuant to this section shall
36 constitute reimbursement pursuant to Section 6 of Article XIII B
37 of the California Constitution for the performance of any state
38 mandates included in the statutes and executive orders identified
39 in subdivision (e).

1 (b) Any school district, county office of education, or charter
2 school may elect to receive block grant funding pursuant to this
3 section.

4 (c) (1) A school district, county office of education, or charter
5 school that elects to receive block grant funding pursuant to this
6 section in a given fiscal year shall submit a letter requesting
7 funding to the Superintendent of Public Instruction on or before
8 August 30 of that fiscal year.

9 (2) The Superintendent of Public Instruction shall, in the month
10 of November of each year, apportion block grant funding
11 appropriated pursuant to Item ~~6110-296-0001~~ 6100-296-0001 of
12 Section 2.00 of the annual Budget Act to all school districts, county
13 offices of education, and charter schools that submitted letters
14 requesting funding in that fiscal year according to the provisions
15 of that item.

16 (3) A school district or county office of education that receives
17 block grant funding pursuant to this section shall not be eligible
18 to submit claims to the Controller for reimbursement pursuant to
19 Section 17560 for any costs of any state mandates included in the
20 statutes and executive orders identified in subdivision (e) incurred
21 in the same fiscal year during which the school district or county
22 office of education received funding pursuant to this section.

23 (d) Block grant funding apportioned pursuant to this section is
24 subject to annual financial and compliance audits required by
25 Section 41020 of the Education Code.

26 (e) Block grant funding apportioned pursuant to this section is
27 specifically intended to fund the costs of the following programs
28 and activities:

29 (1) Academic Performance Index (01-TC-22; Chapter 3 of the
30 Statutes of 1999, First Extraordinary Session; and Chapter 695 of
31 the Statutes of 2000).

32 (2) Agency Fee Arrangements (00-TC-17 and 01-TC-14;
33 Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes
34 of 2001).

35 (3) AIDS Instruction and AIDS Prevention Instruction (CSM
36 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of
37 1991; and Chapter 403 of the Statutes of 1998).

38 (4) California State Teachers' Retirement System (CalSTRS)
39 Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994;
40 Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838

1 of the Statutes of 1997; Chapter 965 of the Statutes of 1998;
2 Chapter 939 of the Statutes of 1999; and Chapter 1021 of the
3 Statutes of 2000).

4 (5) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes
5 of 1994).

6 (6) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and
7 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and
8 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998;
9 and Chapter 78 of the Statutes of 1999).

10 (7) Charter Schools IV (03-TC-03; Chapter 1058 of the Statutes
11 of 2002).

12 (8) Child Abuse and Neglect Reporting (~~01-TC-21~~; *01-TC-21*;
13 Chapters 640 and 1459 of the Statutes of 1987; Chapter 132 of the
14 Statutes of 1991; Chapter 459 of the Statutes of 1992; Chapter 311
15 of the Statutes of 1998; Chapter 916 of the Statutes of 2000; and
16 Chapters 133 and 754 of the Statutes of 2001).

17 (9) Collective Bargaining (CSM 4425; Chapter 961 of the
18 Statutes of 1975).

19 (10) Comprehensive School Safety Plans (98-TC-01 and
20 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of
21 the Statutes of 1999; and Chapter 828 of the Statutes of 2003).

22 (11) Consolidation of Annual Parent Notification/Schoolsite
23 Discipline Rules/Alternative Schools (CSM 4488, CSM 4461,
24 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM
25 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the
26 Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469
27 of the Statutes of 1981; Chapter 459 of the Statutes of 1985;
28 Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the
29 Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988;
30 Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the
31 Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter
32 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997;
33 Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the
34 Statutes of 1999, First Extraordinary Session; Chapter 73 of the
35 Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895
36 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

37 (12) Consolidation of Law Enforcement Agency Notification
38 and Missing Children Reports (CSM 4505; Chapter 1117 of the
39 Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of
40 1986; and Chapter 832 of the Statutes of 1999).

(13) Consolidation of Notification to Teachers: Pupils Subject to Suspension or Expulsion I and II, and Pupil Discipline Records (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

(14) *Consolidated Suspensions, Expulsions, and Expulsion Appeals* (96-358-03, 03A, 98-TC-22, 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of 1996; Chapter 637 of the Statutes of 1997; Chapter 489 of the Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001) (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994) (CSM 4456; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987) (CSM 4463; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).

~~(14)~~

(15) County Office of Education Fiscal Accountability Reporting (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

~~(15)~~

(16) Criminal Background Checks (97-TC-16; Chapters 588 and 589 of the Statutes of 1997).

~~(16)~~

(17) Criminal Background Checks II (00-TC-05; Chapters 594 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

~~(17)~~

- 1 (18) Developer Fees (02-TC-42; Chapter 955 of the Statutes of
2 1977; Chapter 282 of the Statutes of 1979; Chapter 1354 of the
3 Statutes of 1980; Chapter 201 of the Statutes of 1981; Chapter 923
4 of the Statutes of 1982; Chapter 1254 of the Statutes of 1983;
5 Chapter 1062 of the Statutes of 1984; Chapter 1498 of the Statutes
6 of 1985; Chapters 136 and 887 of the Statutes of 1986; and Chapter
7 1228 of the Statutes of 1994).
- 8 ~~(18)~~
- 9 (19) Differential Pay and Reemployment (99-TC-02; Chapter
10 30 of the Statutes of 1998).
- 11 ~~(19)~~
- 12 (20) Expulsion of Pupil: Transcript Cost for Appeals (SMAS;
13 Chapter 1253 of the Statutes of 1975).
- 14 ~~(20)~~
- 15 (21) Financial and Compliance Audits (CSM 4498 and CSM
16 4498-A; Chapter 36 of the Statutes of 1977).
- 17 ~~(21)~~
- 18 (22) Graduation Requirements (CSM 4181; Chapter 498 of the
19 Statutes of 1983).
- 20 ~~(22)~~
- 21 (23) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter
22 1184 of the Statutes of 1975).
- 23 ~~(23)~~
- 24 (24) High School Exit Examination (00-TC-06; Chapter 1 of
25 the Statutes of 1999, First Extraordinary Session; and Chapter 135
26 of the Statutes of 1999).
- 27 ~~(24)~~
- 28 (25) Immunization Records (SB 90-120; Chapter 1176 of the
29 Statutes of 1977).
- 30 ~~(25)~~
- 31 (26) Immunization Records—Hepatitis B (98-TC-05; Chapter
32 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979;
33 Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes
34 of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of
35 the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995;
36 Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882
37 of the Statutes of 1997).
- 38 (27) *Immunization Records—Pertussis* (11-TC-02; Chapter 434
39 of the Statutes of 2010).
- 40 ~~(26)~~

(28) Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).

~~(27)~~

(29) Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).

~~(28)~~

(30) Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).

~~(29)~~

(31) Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).

~~(30)~~

(32) Parental Involvement Programs (03-TC-16; Chapter 1400 of the Statutes of 1990; Chapters 864 and 1031 of the Statutes of 1998; *and* Chapter 1037 of the Statutes of 2002).

~~(31)~~

(33) Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).

~~(32)~~

(34) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

~~(33)~~

(35) Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes of 1988; Chapter 330 of the Statutes of 1989; Chapter 1414 of the Statutes of 1990; Chapter 321 of the Statutes of 1990; Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).

~~(34)~~

(36) Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter 750 of the Statutes of 1992).

~~(35)~~

(37) Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).

1 ~~(36)~~

2 (38) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes
3 of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the
4 Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332
5 of the Statutes of 1986; Chapter 445 of the Statutes of 1992;
6 Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes
7 of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of
8 the Statutes of 1996; and Chapter 492 of the Statutes of 2000).

9 ~~(37)~~

10 ~~(39) Pupil Expulsions (CSM 4455; Chapter 1253 of *Race to*~~
11 ~~the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter~~
12 ~~668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982;~~
13 ~~Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes~~
14 ~~of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the~~
15 ~~Statutes of 1990; Chapter 152 of the Statutes of 1992; *Top*~~
16 ~~(10-TC06; Chapters 1255, 1256, 2 and 1257 3 of the Statutes of~~
17 ~~1993; and Chapter 146 of the Statutes of 1994). 2009).~~

18 ~~(38) Pupil Expulsion Appeals (CSM 4463; Chapter 1253 of the~~
19 ~~Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668~~
20 ~~of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).~~

21 ~~(39) Pupil Suspensions (CSM 4456; Chapter 965 of the Statutes~~
22 ~~of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the~~
23 ~~Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856~~
24 ~~of the Statutes of 1985; and Chapter 134 of the Statutes of 1987).~~

25 (40) School Accountability Report Cards (97-TC-21, 00-TC-09,
26 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997;
27 Chapter 912 of the Statutes of 1997; Chapter 824 of the Statutes
28 of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the
29 Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

30 (41) School District Fiscal Accountability Reporting (97-TC-19;
31 Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes
32 of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and
33 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the
34 Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter
35 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992;
36 Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and
37 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of
38 1995).

39 (42) School District Reorganization (98-TC-24; Chapter 1192
40 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

1 (43) Student Records (02-TC-34; Chapter 593 of the Statutes
2 of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the
3 Statutes of 1998; and Chapter 67 of the Statutes of 2000).

4 (44) The Stull Act (98-TC-25; Chapter 498 of the Statutes of
5 1983; and Chapter 4 of the Statutes of 1999).

6 (45) Threats Against Peace Officers (CSM 96-365-02; Chapter
7 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of
8 1995).

9 (46) Uniform Complaint Procedures (03-TC-02; Chapter 1117
10 of the Statutes of 1982; Chapter 1514 of the Statutes 1988; and
11 Chapter 914 of the Statutes of 1998).

12 (47) Williams Case Implementation I, II, and III (05-TC-04,
13 07-TC-06, and 08-TC-01; Chapters 900, 902, and 903 of the
14 Statutes of 2004; Chapter 118 of the Statutes of 2005; Chapter 704
15 of the Statutes of 2006; and Chapter 526 of the Statutes of 2007).

16 ~~(48) Pupil Expulsions II, Pupil Suspensions II, and Educational~~
17 ~~Services Plan for Expelled Pupils (96-358-03, 03A, 98-TC-22,~~
18 ~~01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the~~
19 ~~Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of~~
20 ~~1996; Chapter 637 of the Statutes of 1997; Chapter 498 of the~~
21 ~~Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147~~
22 ~~of the Statutes of 2000; and Chapter 116 of the Statutes of 2001).~~

23 (f) Notwithstanding Section 10231.5, on or before November
24 1 of each fiscal year, the Superintendent of Public Instruction shall
25 produce a report that indicates the total amount of block grant
26 funding each school district, county office of education, and charter
27 school received in that fiscal year pursuant to this section. The
28 Superintendent of Public Instruction shall provide this report to
29 the appropriate fiscal and policy committees of the Legislature,
30 the Controller, the Department of Finance, and the Legislative
31 Analyst's Office.

32 *SEC. 42. Section 17581.8 of the Government Code is amended*
33 *to read:*

34 17581.8. (a) (1) ~~The~~ *For the 2014–15 fiscal year, the* sum
35 of two hundred eighty-seven million one hundred forty-nine
36 thousand dollars (\$287,149,000) is hereby appropriated from the
37 General Fund to the Superintendent of Public Instruction for
38 allocation to school districts in the manner, and for the purposes,
39 set forth in this section.

1 (2) ~~The~~ *For the 2014–15 fiscal year, the* sum of forty-nine
2 million five hundred thousand dollars (\$49,500,000) is hereby
3 appropriated from the General Fund to the Chancellor of the
4 California Community Colleges for allocation to community
5 college districts in the manner, and for the purposes, set forth in
6 this section.

7 (3) For purposes of this section, a school district includes a
8 county office of education and a charter school.

9 (b) (1) The Superintendent of Public Instruction shall allocate
10 the funds appropriated pursuant to paragraph (1) of subdivision
11 (a), and the funds appropriated for purposes of this section pursuant
12 to Item 6110-488 of *Section 2.00* of the Budget Act of 2014, to
13 school districts on the basis of an equal amount per unit of regular
14 average daily attendance, as those *average daily attendance*
15 numbers are reported at the time of the second principal
16 apportionment for the 2013–14 fiscal year.

17 (2) The Chancellor shall allocate the funds appropriated pursuant
18 to paragraph (2) of subdivision (a) to community college districts
19 on the basis of an equal amount per enrolled full-time equivalent
20 student, as those numbers *of students* are reported at the time of
21 the second principal apportionment for the 2013–14 fiscal year.

22 (c) Allocations made pursuant to this section shall first satisfy
23 any outstanding claims pursuant to Section 6 of Article XIII B of
24 the California Constitution for reimbursement of state-mandated
25 local program costs for any fiscal year. Notwithstanding *Section*
26 *12419.5* and any amounts that are paid in satisfaction of
27 outstanding claims for reimbursement of state-mandated local
28 program costs, the Controller may audit any claim as allowed by
29 law, and may ~~reduce~~ *recover* any amount owed by school districts
30 or community college districts pursuant to an audit *only* by
31 reducing amounts owed by the state to school districts or
32 community college districts for any other mandate claims. *Under*
33 *no circumstances shall a school district or community college*
34 *district be required to remit funding back to the state to pay for*
35 *disallowed costs identified by a Controller audit of claimed*
36 *reimbursable state-mandated local program costs.* The Controller
37 shall *not recover any amount owed by a school district or*
38 *community college district pursuant to an audit of claimed*
39 *reimbursable state-mandated local program costs by reducing any*
40 *amount owed a school district or community college district for*

1 *any purpose other than amounts owed for any other mandate*
2 *claims. The Controller shall* apply amounts received by each school
3 district or community college district against any balances of
4 unpaid claims for reimbursement of state-mandated local program
5 costs and interest in chronological order beginning with the earliest
6 claim. The Controller shall report to each school district and
7 community college district the amounts of any claims and interest
8 that are offset from funds provided pursuant to this section, and
9 shall report a summary of the amounts offset for each mandate for
10 each fiscal year to the Department of Finance and the fiscal
11 committees of the Legislature.

12 (d) (1) The governing board of a school district or community
13 college district may expend funds received pursuant to this section
14 for any one-time purpose, as determined by the governing board.

15 (2) It is the intent of the Legislature that school districts will
16 prioritize the use of these one-time funds for professional
17 development, instructional materials, technology infrastructure,
18 and any other investments necessary to support implementation
19 of the common core standards in English language arts and
20 mathematics, the implementation of English language development
21 standards, and the implementation of the Next Generation Science
22 standards.

23 SEC. 43. *Section 17581.9 is added to the Government Code,*
24 *to read:*

25 17581.9. (a) (1) *The sum of three billion ninety-eight million*
26 *four hundred fifty-five thousand dollars (\$3,098,455,000) is hereby*
27 *appropriated from the General Fund to the Superintendent of*
28 *Public Instruction for allocation to school districts and county*
29 *superintendents of schools in the manner, and for the purposes,*
30 *set forth in this section.*

31 (2) *The sum of six hundred four million forty-three thousand*
32 *dollars (\$604,043,000) is hereby appropriated from the General*
33 *Fund to the Chancellor of the California Community Colleges for*
34 *allocation to community college districts in the manner, and for*
35 *the purposes, set forth in this section.*

36 (3) *For purposes of this section, a school district includes a*
37 *county office of education and a charter school.*

38 (b) (1) (A) *The Superintendent of Public Instruction shall*
39 *allocate forty million dollars (\$40,000,000) of the funds*

1 *appropriated pursuant to paragraph (1) of subdivision (a) to county*
2 *superintendents of schools, as follows:*

3 *(i) Each county superintendent of schools shall be allocated the*
4 *greater of: (i) thirty thousand dollars (\$30,000), multiplied by the*
5 *number of school districts for which the county superintendent of*
6 *schools has jurisdiction pursuant to Section 1253 of the Education*
7 *Code; or (ii) eighty thousand dollars (\$80,000).*

8 *(ii) After the allocations pursuant to subparagraph (A), the*
9 *balance shall be allocated in an equal amount per unit of regular*
10 *average daily attendance, as those average daily attendance*
11 *numbers are reported at the time of the second principal*
12 *apportionment for the 2014–15 fiscal year.*

13 *(B) For purposes of allocating funding pursuant to this*
14 *paragraph only, “regular average daily attendance” means the*
15 *aggregate number of units of average daily attendance within the*
16 *county attributable to all school districts for which the county*
17 *superintendent of schools has jurisdiction pursuant to Section*
18 *1253 of the Education Code, charter schools within the county,*
19 *and the schools operated by the county superintendent of schools.*

20 *(2) It is the intent of the Legislature that county offices of*
21 *education will prioritize the use of funds allocated pursuant to*
22 *paragraph (1) for investments necessary to support new*
23 *responsibilities required under the evolving accountability*
24 *structure of the local control funding formula and develop greater*
25 *capacity and consistency within and between county offices of*
26 *education. A county office of education may encumber funds*
27 *apportioned pursuant to this section at any time during the*
28 *2015–16 or 2016–17 fiscal year.*

29 *(3) The Superintendent shall allocate three billion fifty-eight*
30 *million four hundred fifty-five thousand dollars (\$3,058,455,000)*
31 *of the funds appropriated pursuant to paragraph (1) of subdivision*
32 *(a) to school districts on the basis of an equal amount per unit of*
33 *regular average daily attendance, as those average daily*
34 *attendance numbers are reported at the time of the second principal*
35 *apportionment for the 2014–15 fiscal year.*

36 *(c) The Chancellor of the California Community Colleges shall*
37 *allocate the funds appropriated pursuant to paragraph (2) of*
38 *subdivision (a) to community college districts on the basis of an*
39 *equal amount per enrolled full-time equivalent student, as those*

1 numbers of students are reported at the time of the second principal
2 apportionment for the 2014–15 fiscal year.

3 (d) Allocations made pursuant to this section shall first satisfy
4 any outstanding claims pursuant to Section 6 of Article XIII B of
5 the California Constitution for reimbursement of state-mandated
6 local program costs for any fiscal year. Notwithstanding Section
7 12419.5 and any amounts that are paid in satisfaction of
8 outstanding claims for reimbursement of state-mandated local
9 program costs, the Controller may audit any claim as allowed by
10 law, and may recover any amount owed by school districts or
11 community college districts pursuant to an audit only by reducing
12 amounts owed by the state to school districts or community college
13 districts for any other mandate claims. Under no circumstances
14 shall a school district or community college district be required
15 to remit funding back to the state to pay for disallowed costs
16 identified by a Controller audit of claimed reimbursable
17 state-mandated local program costs. The Controller shall not
18 recover any amount owed by a school district or community college
19 district pursuant to an audit of claimed reimbursable
20 state-mandated local program costs by reducing any amount owed
21 a school district or community college district for any purpose
22 other than amounts owed for any other mandate claims. The
23 Controller shall apply amounts received by each school district
24 or community college district against any balances of unpaid
25 claims for reimbursement of state-mandated local program costs
26 and interest in chronological order beginning with the earliest
27 claim. The Controller shall report to each school district and
28 community college district the amounts of any claims and interest
29 that are offset from funds provided pursuant to this section, and
30 shall report a summary of the amounts offset for each mandate for
31 each fiscal year to the Department of Finance and the fiscal
32 committees of the Legislature.

33 (e) (1) The governing board of a school district or community
34 college district may expend the one-time funds received pursuant
35 to this section for any purpose, as determined by the governing
36 board.

37 (2) It is the intent of the Legislature that school districts shall
38 prioritize the use of these one-time funds for professional
39 development, induction for beginning teachers with a focus on
40 relevant mentoring, instructional materials, technology

1 *infrastructure, and any other investments necessary to support*
2 *implementation of the common core standards in English language*
3 *arts and mathematics, the implementation of English language*
4 *development standards, and the implementation of the Next*
5 *Generation Science standards.*

6 *(f) For purposes of making the computations required by Section*
7 *8 of Article XVI of the California Constitution, three hundred*
8 *nineteen million two hundred thirty-one thousand dollars*
9 *(\$319,231,000) of the appropriations made by subdivision (a) shall*
10 *be deemed to be “General Fund revenues appropriated for school*
11 *districts,” as defined in subdivision (c) of Section 41202 of the*
12 *Education Code, for the 2013–14 fiscal year, and included within*
13 *the “total allocations to school districts and community college*
14 *districts from General Fund proceeds of taxes appropriated*
15 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*
16 *41202 of the Education Code, for the 2013–14 fiscal year.*

17 *(g) For purposes of making the computations required by*
18 *Section 8 of Article XVI of the California Constitution, ninety-three*
19 *million five hundred twenty-nine thousand dollars (\$93,529,000)*
20 *of the appropriations made by subdivision (a) shall be deemed to*
21 *be “General Fund revenues appropriated for community college*
22 *districts,” as defined in subdivision (d) of Section 41202 of the*
23 *Education Code, for the 2013–14 fiscal year, and included within*
24 *the “total allocations to school districts and community college*
25 *districts from General Fund proceeds of taxes appropriated*
26 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*
27 *41202 of the Education Code, for the 2013–14 fiscal year.*

28 *(h) For purposes of making the computations required by*
29 *Section 8 of Article XVI of the California Constitution, two billion*
30 *seven hundred forty-eight million three hundred forty-nine*
31 *thousand dollars (\$2,748,349,000) of the appropriations made by*
32 *subdivision (a) shall be deemed to be “General Fund revenues*
33 *appropriated for school districts,” as defined in subdivision (c)*
34 *of Section 41202 of the Education Code, for the 2014–15 fiscal*
35 *year, and included within the “total allocations to school districts*
36 *and community college districts from General Fund proceeds of*
37 *taxes appropriated pursuant to Article XIII B,” as defined in*
38 *subdivision (e) of Section 41202 of the Education Code, for the*
39 *2014–15 fiscal year.*

(i) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, three hundred ninety-three million two hundred twenty thousand dollars (\$393,220,000) of the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2014–15 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2014–15 fiscal year.

(j) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one hundred seventeen million two hundred ninety-four thousand dollars (\$117,294,000) of the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

(k) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, thirty million eight hundred seventy-five thousand dollars (\$30,875,000) of the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

SEC. 44. Section 33607.5 of the Health and Safety Code is amended to read:

33607.5. (a) (1) This section shall apply to each redevelopment project area that, pursuant to a redevelopment plan which contains the provisions required by Section 33670, is either:

(A) adopted on or after January 1, 1994, including later amendments to these redevelopment plans; or (B) adopted prior to January 1, 1994, but amended, after January 1, 1994, to include new territory. For plans amended after January 1, 1994, only the tax increments from territory added by the amendment shall be subject to this section. All the amounts calculated pursuant to this section shall be calculated after the amount required to be deposited in the Low and Moderate Income Housing Fund pursuant to Sections 33334.2, 33334.3, and 33334.6 has been deducted from the total amount of tax increment funds received by the agency in the applicable fiscal year.

(2) The payments made pursuant to this section shall be in addition to any amounts the affected taxing entities receive pursuant to subdivision (a) of Section 33670. The payments made pursuant to this section to the affected taxing entities, including the community, shall be allocated among the affected taxing entities, including the community if the community elects to receive payments, in proportion to the percentage share of property taxes each affected taxing entity, including the community, receives during the fiscal year the funds are allocated, which percentage share shall be determined without regard to any amounts allocated to a city, a city and county, or a county pursuant to Sections 97.68 and 97.70 of the Revenue and Taxation Code, and without regard to any allocation reductions to a city, a city and county, a county, a special district, or a redevelopment agency pursuant to Sections 97.71, 97.72, and 97.73 of the Revenue and Taxation Code and Section 33681.12. The agency shall reduce its payments pursuant to this section to an affected taxing entity by any amount the agency has paid, directly or indirectly, pursuant to Section 33445, 33445.5, 33445.6, 33446, or any other provision of law other than this section for, or in connection with, a public facility owned or leased by that affected taxing agency, except: (A) any amounts the agency has paid directly or indirectly pursuant to an agreement with a taxing entity adopted prior to January 1, 1994; or (B) any amounts that are unrelated to the specific project area or amendment governed by this section. The reduction in a payment by an agency to a school district, community college district, or county office of education, or for special education, shall be subtracted only from the amount that otherwise would be available for use by those entities for educational facilities pursuant to

1 paragraph (4). If the amount of the reduction exceeds the amount
2 that otherwise would have been available for use for educational
3 facilities in any one year, the agency shall reduce its payment in
4 more than one year.

5 (3) If an agency reduces its payment to a school district,
6 community college district, or county office of education, or for
7 special education, the agency shall do all of the following:

8 (A) Determine the amount of the total payment that would have
9 been made without the reduction.

10 (B) Determine the amount of the total payment without the
11 reduction which: (i) would have been considered property taxes;
12 and (ii) would have been available to be used for educational
13 facilities pursuant to paragraph (4).

14 (C) Reduce the amount available to be used for educational
15 facilities.

16 (D) Send the payment to the school district, community college
17 district, or county office of education, or for special education,
18 with a statement that the payment is being reduced and including
19 the calculation required by this subdivision showing the amount
20 to be considered property taxes and the amount, if any, available
21 for educational facilities.

22 (4) (A) Except as specified in subparagraph (E), of the total
23 amount paid each year pursuant to this section to school districts,
24 43.3 percent shall be considered to be property taxes for ~~the~~
25 purposes of paragraph (1) of subdivision (h) of Section 42238 of
26 the Education Code, as it read on January 1, 2013; *Code* and
27 paragraph (1) of subdivision (j) of Section 42238.02 of the
28 Education Code, and 56.7 percent shall not be considered to be
29 property taxes for the purposes of that section and shall be available
30 to be used for educational facilities, including, ~~in the case of~~
31 ~~amounts paid during the 2011–12 fiscal year through the 2015–16~~
32 ~~fiscal year, inclusive,~~ land acquisition, facility construction,
33 reconstruction, remodeling, maintenance, or deferred maintenance.

34 (B) Except as specified in subparagraph (E), of the total amount
35 paid each year pursuant to this section to community college
36 districts, 47.5 percent shall be considered to be property taxes for
37 the purposes of Section 84751 of the Education Code, and 52.5
38 percent shall not be considered to be property taxes for the purposes
39 of that section and shall be available to be used for educational
40 facilities, including, ~~in the case of amounts paid during the 2011–12~~

1 ~~fiscal year through the 2015-16 fiscal year, inclusive, land~~
2 ~~acquisition, facility construction, reconstruction, remodeling,~~
3 ~~maintenance, or deferred maintenance.~~

4 (C) Except as specified in subparagraph (E), of the total amount
5 paid each year pursuant to this section to county offices of
6 education, 19 percent shall be considered to be property taxes for
7 ~~the purposes of Section Sections 2558 of the Education Code, as~~
8 ~~it read on January 1, 2013, and Section 2575 of the Education~~
9 ~~Code, and 81 percent shall not be considered to be property taxes~~
10 ~~for the purposes of that section~~ *those sections* and shall be available
11 to be used for educational facilities, including, ~~in the case of~~
12 ~~amounts paid during the 2011-12 fiscal year through the 2015-16~~
13 ~~fiscal year, inclusive, land acquisition, facility construction,~~
14 ~~reconstruction, remodeling, maintenance, or deferred maintenance.~~

15 (D) Except as specified in subparagraph (E), of the total amount
16 paid each year pursuant to this section for special education, 19
17 percent shall be considered to be property taxes for *purposes of*
18 *Sections 2558 and 2575 of the Education Code, or for purposes*
19 *of paragraph (1) of subdivision (h) of Section 56712 42238 of the*
20 *Education Code and paragraph (1) of subdivision (j) of Section*
21 *42238.02 of the Education Code, as applicable, and 81 percent*
22 *shall not be considered to be property taxes for the purposes of*
23 ~~that section~~ *those sections* and shall be available to be used for
24 education facilities, including, ~~in the case of amounts paid during~~
25 ~~the 2011-12 fiscal year through the 2015-16 fiscal year, inclusive,~~
26 ~~land acquisition, facility construction, reconstruction, remodeling,~~
27 ~~maintenance, or deferred maintenance.~~

28 (E) If, pursuant to paragraphs (2) and (3), an agency reduces its
29 payments to an educational entity, the calculation made by the
30 agency pursuant to paragraph (3) shall determine the amount
31 considered to be property taxes and the amount available to be
32 used for educational facilities in the year the reduction was made.

33 (5) Local education agencies that use funds received pursuant
34 to this section for school facilities shall spend these funds at schools
35 that are: (A) within the project area, (B) attended by students from
36 the project area, (C) attended by students generated by projects
37 that are assisted directly by the redevelopment agency, or (D)
38 determined by the governing board of a local education agency to
39 be of benefit to the project area.

1 (b) Commencing with the first fiscal year in which the agency
2 receives tax increments and continuing through the last fiscal year
3 in which the agency receives tax increments, a redevelopment
4 agency shall pay to the affected taxing entities, including the
5 community if the community elects to receive a payment, an
6 amount equal to 25 percent of the tax increments received by the
7 agency after the amount required to be deposited in the Low and
8 Moderate Income Housing Fund has been deducted. In any fiscal
9 year in which the agency receives tax increments, the community
10 that has adopted the redevelopment project area may elect to
11 receive the amount authorized by this paragraph.

12 (c) Commencing with the 11th fiscal year in which the agency
13 receives tax increments and continuing through the last fiscal year
14 in which the agency receives tax increments, a redevelopment
15 agency shall pay to the affected taxing entities, other than the
16 community which has adopted the project, in addition to the
17 amounts paid pursuant to subdivision (b) and after deducting the
18 amount allocated to the Low and Moderate Income Housing Fund,
19 an amount equal to 21 percent of the portion of tax increments
20 received by the agency, which shall be calculated by applying the
21 tax rate against the amount of assessed value by which the current
22 year assessed value exceeds the first adjusted base year assessed
23 value. The first adjusted base year assessed value is the assessed
24 value of the project area in the 10th fiscal year in which the agency
25 receives tax increment revenues.

26 (d) Commencing with the 31st fiscal year in which the agency
27 receives tax increments and continuing through the last fiscal year
28 in which the agency receives tax increments, a redevelopment
29 agency shall pay to the affected taxing entities, other than the
30 community which has adopted the project, in addition to the
31 amounts paid pursuant to subdivisions (b) and (c) and after
32 deducting the amount allocated to the Low and Moderate Income
33 Housing Fund, an amount equal to 14 percent of the portion of tax
34 increments received by the agency, which shall be calculated by
35 applying the tax rate against the amount of assessed value by which
36 the current year assessed value exceeds the second adjusted base
37 year assessed value. The second adjusted base year assessed value
38 is the assessed value of the project area in the 30th fiscal year in
39 which the agency receives tax increments.

1 (e) (1) Prior to incurring any loans, bonds, or other
2 indebtedness, except loans or advances from the community, the
3 agency may subordinate to the loans, bonds, or other indebtedness
4 the amount required to be paid to an affected taxing entity by this
5 section, provided that the affected taxing entity has approved these
6 subordinations pursuant to this subdivision.

7 (2) At the time the agency requests an affected taxing entity to
8 subordinate the amount to be paid to it, the agency shall provide
9 the affected taxing entity with substantial evidence that sufficient
10 funds will be available to pay both the debt service and the
11 payments required by this section, when due.

12 (3) Within 45 days after receipt of the agency's request, the
13 affected taxing entity shall approve or disapprove the request for
14 subordination. An affected taxing entity may disapprove a request
15 for subordination only if it finds, based upon substantial evidence,
16 that the agency will not be able to pay the debt payments and the
17 amount required to be paid to the affected taxing entity. If the
18 affected taxing entity does not act within 45 days after receipt of
19 the agency's request, the request to subordinate shall be deemed
20 approved and shall be final and conclusive.

21 (f) (1) The Legislature finds and declares both of the following:

22 (A) The payments made pursuant to this section are necessary
23 in order to alleviate the financial burden and detriment that affected
24 taxing entities may incur as a result of the adoption of a
25 redevelopment plan, and payments made pursuant to this section
26 will benefit redevelopment project areas.

27 (B) The payments made pursuant to this section are the exclusive
28 payments that are required to be made by a redevelopment agency
29 to affected taxing entities during the term of a redevelopment plan.

30 (2) Notwithstanding any other ~~provision of~~ law, a redevelopment
31 agency shall not be required, either directly or indirectly, as a
32 measure to mitigate a significant environmental effect or as part
33 of any settlement agreement or judgment brought in any action to
34 contest the validity of a redevelopment plan pursuant to Section
35 33501, to make any other payments to affected taxing entities, or
36 to pay for public facilities that will be owned or leased to an
37 affected taxing entity.

38 (g) As used in this section, a "local education agency" is a school
39 district, a community college district, or a county office of
40 education.

1 *SEC. 45. Section 33607.7 of the Health and Safety Code is*
2 *amended to read:*

3 33607.7. (a) This section shall apply to a redevelopment plan
4 amendment for any redevelopment plans adopted prior to January
5 1, 1994, that increases the limitation on the number of dollars to
6 be allocated to the redevelopment agency or that increases, or
7 eliminates pursuant to paragraph (1) of subdivision (e) of Section
8 33333.6, the time limit on the establishing of loans, advances, and
9 indebtedness established pursuant to paragraphs (1) and (2) of
10 subdivision (a) of Section 33333.6, as those paragraphs read on
11 December 31, 2001, or that lengthens the period during which the
12 redemption plan is effective if the redemption plan being
13 amended contains the provisions required by subdivision (b) of
14 Section 33670. However, this section shall not apply to those
15 redemption plans that add new territory.

16 (b) If a redevelopment agency adopts an amendment that is
17 governed by the provisions of this section, it shall pay to each
18 affected taxing entity either of the following:

19 (1) If an agreement exists that requires payments to the taxing
20 entity, the amount required to be paid by an agreement between
21 the agency and an affected taxing entity entered into prior to
22 January 1, 1994.

23 (2) If an agreement does not exist, the amounts required pursuant
24 to subdivisions (b), (c), (d), and (e) of Section 33607.5, until
25 termination of the redemption plan, calculated against the
26 amount of assessed value by which the current year assessed value
27 exceeds an adjusted base year assessed value. The amounts shall
28 be allocated between property taxes and educational facilities,
29 including, in the case of amounts paid ~~during~~ *commencing with*
30 the 2011–12 fiscal year ~~through the 2015–16 fiscal year, inclusive,~~
31 land acquisition, facility construction, reconstruction, remodeling,
32 maintenance, or deferred maintenance, according to the appropriate
33 formula in paragraph (3) of subdivision (a) of Section 33607.5. In
34 determining the applicable amount under Section 33607.5, the first
35 fiscal year shall be the first fiscal year following the fiscal year in
36 which the adjusted base year value is determined.

37 (c) The adjusted base year assessed value shall be the assessed
38 value of the project area in the year in which the limitation being
39 amended would have taken effect without the amendment or, if
40 more than one limitation is being amended, the first year in which

1 one or more of the limitations would have taken effect without the
2 amendment. The agency shall commence making these payments
3 pursuant to the terms of the agreement, if applicable, or, if an
4 agreement does not exist, in the first fiscal year following the fiscal
5 year in which the adjusted base year value is determined.

6 *SEC. 46. Section 11 of Chapter 325 of the Statutes of 2012 is*
7 *amended to read:*

8 *Sec. 11. (a) Notwithstanding Sections 17456, 17457, 17462,*
9 *and 17463 of the Education Code, or any other law, from*
10 *September 1, 2012, to June 30, 2018, inclusive, the Inglewood*
11 *Unified School District may sell property owned by the school*
12 *district and use the proceeds from the sale to reduce or retire the*
13 *emergency loan provided in Section 8 of this act. The sale only of*
14 *property pursuant to this subdivision is not subject to Section*
15 *17459 or 17464 of the Education Code.*

16 *(b) Notwithstanding any other law, from June 1, 2012, to June*
17 *30, 2018, inclusive, the Inglewood Unified School District is not*
18 *eligible for financial hardship assistance pursuant to Article 8*
19 *(commencing with Section 17075.10) of Chapter 12.5 of Part 10*
20 *of Division 1 of Title 1 of the Education Code.*

21 *SEC. 47. It is the intent of the Legislature that when the local*
22 *control funding formula is fully implemented pursuant to*
23 *subdivision (g) of Section 42238.03 of the Education Code, local*
24 *educational agencies shall be required to report to the*
25 *Superintendent of Public Instruction for compilation on the State*
26 *Department of Education's Internet Web site both of the following:*

27 *(a) The amount of funds received on the basis of the number*
28 *and concentration of unduplicated pupils in the current year and,*
29 *to the extent available, prior fiscal years.*

30 *(b) The amount of local control funding formula funds expended*
31 *on services for unduplicated pupils in the current year and, to the*
32 *extent available, prior fiscal years commencing with the 2013–14*
33 *fiscal year.*

34 *SEC. 48. (a) On or before June 30, 2016, an amount to be*
35 *determined by the Director of Finance, not to exceed the amount*
36 *of the shortfall specified in subdivision (b), shall be appropriated*
37 *from the General Fund to the Superintendent of Public Instruction*
38 *in augmentation of Schedule (1) of Item 6110-161-0001 of Section*
39 *2.00 of the Budget Act of 2015.*

1 (b) *The funds appropriated in subdivision (a) shall not exceed*
2 *the amount by which revenues distributed to local educational*
3 *agencies for special education programs pursuant to Sections*
4 *34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code*
5 *are less than the estimated amount reflected in the Budget Act of*
6 *2015, as determined by the Director of Finance.*

7 (c) *On or before June 30, 2016, the Director of Finance shall*
8 *determine if the revenues distributed to local educational agencies*
9 *for special education programs pursuant to Sections 34177,*
10 *34179.5, 34179.6, and 34188 of the Health and Safety Code exceed*
11 *the estimated amount reflected in the Budget Act of 2015 and shall*
12 *reduce Schedule (1) of Item 6110-161-0001 of Section 2.00 of the*
13 *Budget Act of 2015 by the amount of that excess.*

14 (d) *In making the determinations pursuant to subdivisions (b)*
15 *and (c), the Director of Finance shall consider any other local*
16 *property tax revenues collected in excess or in deficit of the*
17 *estimated amounts reflected in the Budget Act of 2015.*

18 (e) *The Director of Finance shall notify the Chairperson of the*
19 *Joint Legislative Budget Committee, or his or her designee, of his*
20 *or her intent to notify the Controller of the necessity to release*
21 *funds appropriated in subdivision (a) or to make the reduction*
22 *pursuant to subdivision (c), and the amount needed to address the*
23 *property tax shortfall determined pursuant to subdivision (b) or*
24 *the amount of the reduction made pursuant to subdivision (c). The*
25 *Controller shall make the funds available pursuant to subdivision*
26 *(a) not sooner than five days after this notification, and the State*
27 *Department of Education shall work with the Controller to allocate*
28 *these funds to local educational agencies as soon as practicable.*

29 (f) *For purposes of making the computations required by Section*
30 *8 of Article XVI of the California Constitution, the appropriations*
31 *made by subdivision (a) shall be deemed to be “General Fund*
32 *revenues appropriated for school districts,” as defined in*
33 *subdivision (c) of Section 41202 of the Education Code, for the*
34 *2015–16 fiscal year, and included within the “total allocations to*
35 *school districts and community college districts from General*
36 *Fund proceeds of taxes appropriated pursuant to Article XIII B,”*
37 *as defined in subdivision (e) of Section 41202 of the Education*
38 *Code, for the 2015–16 fiscal year.*

39 SEC. 49. (a) *The State Department of Education shall convene,*
40 *by September 1, 2015, a stakeholder group to provide*

1 *recommendations to streamline data and other reporting*
2 *requirements for child care and early learning providers that*
3 *contract with the State Department of Education to provide state*
4 *preschool and other state subsidized child care and early learning*
5 *programs under Title 5 of the California Code of Regulations. The*
6 *recommendations shall address the challenges and redundancies*
7 *in reporting faced by contractors and providers that deliver*
8 *services to children through multiple contracts from different*
9 *sources, including federal Head Start and Early Head Start, state*
10 *preschool, and other Title 5 programs, programs administered by*
11 *the California Children and Families Commission, and other*
12 *federal, state, and local programs.*

13 *(b) The stakeholder group shall identify current reporting*
14 *requirements for the programs identified in subdivision (a) in*
15 *statute, regulations, and other administering documents, including*
16 *funding terms and conditions and management bulletins, and shall*
17 *find redundancies that can be eliminated, similar requirements*
18 *that can be aligned, and other changes that could result in*
19 *efficiencies for providers and contractors. The recommendations*
20 *made by the stakeholder group shall reduce the administrative*
21 *workload for contractors and providers that deliver services under*
22 *multiple contracts without increasing administrative workload for*
23 *contractors and providers that deliver services under a single state*
24 *contract.*

25 *(c) The stakeholder group shall consist of no more than seven*
26 *members, including one designee of the State Department of*
27 *Education, one designee of the California Children and Families*
28 *Commission, one designee of the State Department of Social*
29 *Services, one state preschool contractor, one Title 5 contractor,*
30 *one federal Head Start contractor, and one entity receiving funding*
31 *through a program administered by the California Children and*
32 *Families Commission. Contractors and providers shall represent,*
33 *to the extent practicable, the regional and care environment*
34 *diversity of state child care and early learning programs, including*
35 *family child care home networks and local educational agencies.*

36 *(d) The stakeholder group shall provide its recommendations*
37 *to the Legislature, the Department of Finance, and the State Board*
38 *of Education no later than April 1, 2016. At least one month before*
39 *presenting its recommendations, the group shall make a draft of*
40 *its findings available to the Department of Finance and the*

1 Governor's State Advisory Council for Early Learning and Care
2 for review and comment.

3 SEC. 50. (a) The State Department of Education shall convene,
4 by September 1, 2015, a stakeholder group to examine CalWORKs
5 Stage 2, CalWORKs Stage 3, and alternative payment program
6 child care contract requirements, program and fiscal audits, and
7 the process by which contractors are informed of and implement
8 new contract requirements, with the purpose of identifying
9 redundancies and efficiencies in program implementation and
10 reducing the workload in program administration.

11 (b) The stakeholder group shall identify existing requirements
12 for the administration of the programs identified in subdivision
13 (a), as described in program contracts and funding terms and
14 conditions. The group shall examine the current requirements, as
15 well as the existing protocols in place for ensuring contract
16 compliance through program and fiscal audits, and identify
17 recommended actions the state could take to reduce redundant
18 workload for contractors and allow for efficiencies in program
19 administration, especially by utilizing technology. The group shall
20 also examine recent management bulletins and other documents
21 that alert contractors to changes in program administration
22 requirements, and recommend ways that future changes could be
23 implemented to reduce program disruption and allow contractors
24 more implementation flexibility.

25 (c) The stakeholder group shall consist of no more than seven
26 members, including one designee of the State Department of
27 Education, one designee of the California Children and Families
28 Commission, one designee of the State Department of Social
29 Services, and four representatives of alternative payment program
30 agencies that contract with the state to provide child care vouchers.
31 Contractors shall represent, to the extent practicable, the regional
32 and size diversity of alternative payment programs.

33 (d) The stakeholder group shall provide its recommendations
34 to the Legislature, the Department of Finance, and the State Board
35 of Education no later than April 1, 2016. At least one month before
36 presenting its recommendations, the group shall make a draft of
37 its findings available to the Department of Finance and the
38 Governor's State Advisory Council for Early Learning and Care
39 for review and comment.

1 SEC. 51. (a) *The sum of fifty thousand dollars (\$50,000) is*
2 *hereby appropriated from the General Fund to the State*
3 *Department of Education for transfer to Section A of the State*
4 *School Fund and allocation by the Controller for payment of claims*
5 *for costs incurred in the 2013–14 and 2014–15 fiscal years*
6 *pursuant to paragraph (1) of subdivision (f) of Section 44944 of*
7 *the Education Code. Notwithstanding any other law, the Controller*
8 *shall encumber the funds appropriated in this section by June 30,*
9 *2016.*

10 (b) *For purposes of making the computations required by*
11 *Section 8 of Article XVI of the California Constitution, the*
12 *appropriations made by subdivision (a) shall be deemed to be*
13 *“General Fund revenues appropriated for school districts,” as*
14 *defined in subdivision (c) of Section 41202 of the Education Code,*
15 *for the 2014–15 fiscal year, and included within the “total*
16 *allocations to school districts and community college districts*
17 *from General Fund proceeds of taxes appropriated pursuant to*
18 *Article XIII B,” as defined in subdivision (e) of Section 41202 of*
19 *the Education Code, for the 2014–15 fiscal year.*

20 SEC. 52. (a) *For purposes of making the computations*
21 *required by Section 8 of Article XVI of the California Constitution,*
22 *one hundred fifty million dollars (\$150,000,000) of the*
23 *appropriation made by paragraph (1) of subdivision (a) of Section*
24 *53070 of the Education Code shall be deemed to be “General*
25 *Fund revenues appropriated for school districts,” as defined in*
26 *subdivision (c) of Section 41202 of the Education Code, for the*
27 *2014–15 fiscal year, and included within the “total allocations to*
28 *school districts and community college districts from General*
29 *Fund proceeds of taxes appropriated pursuant to Article XIII B,”*
30 *as defined in subdivision (e) of Section 41202 of the Education*
31 *Code, for the 2014–15 fiscal year.*

32 (b) *For purposes of making the computations required by*
33 *Section 8 of Article XVI of the California Constitution, two hundred*
34 *fifty million dollars (\$250,000,000) of the appropriation made by*
35 *paragraph (1) of subdivision (a) of Section 53070 of the Education*
36 *Code shall be deemed to be “General Fund revenues appropriated*
37 *for school districts,” as defined in subdivision (c) of Section 41202*
38 *of the Education Code, for the 2015–16 fiscal year, and included*
39 *within the “total allocations to school districts and community*
40 *college districts from General Fund proceeds of taxes appropriated*

1 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*
2 *41202 of the Education Code, for the 2015–16 fiscal year.*

3 *(c) For purposes of making the computations required by Section*
4 *8 of Article XVI of the California Constitution, three hundred*
5 *million dollars (\$300,000,000) of the appropriation made by*
6 *paragraph (2) of subdivision (a) of Section 53070 of the Education*
7 *Code shall be deemed to be “General Fund revenues appropriated*
8 *for school districts,” as defined in subdivision (c) of Section 41202*
9 *of the Education Code, for the 2016–17 fiscal year, and included*
10 *within the “total allocations to school districts and community*
11 *college districts from General Fund proceeds of taxes appropriated*
12 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*
13 *41202 of the Education Code, for the 2016–17 fiscal year.*

14 *(d) For purposes of making the computations required by*
15 *Section 8 of Article XVI of the California Constitution, two hundred*
16 *million dollars (\$200,000,000) of the appropriation made by*
17 *paragraph (3) of subdivision (a) of Section 53070 of the Education*
18 *Code shall be deemed to be “General Fund revenues appropriated*
19 *for school districts,” as defined in subdivision (c) of Section 41202*
20 *of the Education Code, for the 2017–18 fiscal year, and included*
21 *within the “total allocations to school districts and community*
22 *college districts from General Fund proceeds of taxes appropriated*
23 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*
24 *41202 of the Education Code, for the 2017–18 fiscal year.*

25 *SEC. 53. (a) The sum of three hundred fifty thousand dollars*
26 *(\$350,000) is hereby appropriated to the Superintendent of Public*
27 *Instruction for support and development of the evaluation rubrics*
28 *adopted pursuant to Section 52064.5 of the Education Code.*

29 *(b) For the purposes outlined in subdivision (a), the State*
30 *Department of Education, in collaboration with and subject to the*
31 *approval of the executive director of the State Board of Education,*
32 *shall enter into a contract with the San Joaquin County Office of*
33 *Education to perform activities that ensure alignment of the*
34 *evaluation rubrics with California’s accountability system,*
35 *accommodate state and local data availability, and reflect*
36 *consistency with implementation of the local control funding*
37 *formula.*

38 *(c) For purposes of making the computations required by Section*
39 *8 of Article XVI of the California Constitution, the appropriation*
40 *made by subdivision (a) shall be deemed to be “General Fund*

1 revenues appropriated for school districts,” as defined in
2 subdivision (c) of Section 41202 of the Education Code, for the
3 2014–15 fiscal year, and included within the “total allocations to
4 school districts and community college districts from General
5 Fund proceeds of taxes appropriated pursuant to Article XIII B,”
6 as defined in subdivision (e) of Section 41202 of the Education
7 Code, for the 2014–15 fiscal year.

8 SEC. 54. For purposes of apportionments calculated pursuant
9 to Section 47663 of the Education Code for the 2009–10 and
10 2010–11 fiscal years, the Superintendent of Public Instruction
11 shall include in the amount of property taxes as referenced in
12 paragraph (1) of subdivision (b) of Section 47663 of the Education
13 Code, as that section read at that time, and property taxes
14 transferred to a charter school or schools as referenced in
15 paragraph (2) of subdivision (b) of Section 47663 of the Education
16 Code, as that section read at that time, allocations from the
17 Supplemental Educational Revenue Augmentation Fund pursuant
18 to subdivision (j) of Section 33690 of the Health and Safety Code.

19 SEC. 55. Commencing with the 2015–16 fiscal year, the
20 Superintendent of Public Instruction shall add two million dollars
21 (\$2,000,000) to the amount to be apportioned pursuant to Sections
22 2574 and 2575 of the Education Code for the Los Angeles County
23 Office of Education for the purpose of supporting professional
24 development and leadership training for education professionals
25 related to antibias education and the creation of inclusive and
26 equitable schools.

27 SEC. 56. Of the amount allocated in Schedule (1) of Item
28 6110-161-0001 of Section 2.00 of the Budget Act of 2012, sixteen
29 million five hundred forty-nine thousand dollars (\$16,549,000)
30 shall be allocated to fund the 2010–11 fiscal year maintenance of
31 effort in the special education program, and nineteen million one
32 hundred seventy-three thousand dollars (\$19,173,000) shall be
33 allocated to fund the 2011–12 maintenance of effort in the special
34 education program.

35 SEC. 57. (a) The sum of ten million dollars (\$10,000,000) is
36 hereby appropriated from the General Fund to the Superintendent
37 of Public Instruction on a one-time basis to apportion to a
38 designated county office of education or two designated county
39 offices of education applying jointly to provide technical assistance
40 and to develop and disseminate statewide resources that encourage

1 *and assist local educational agencies and charter schools in*
2 *establishing and aligning schoolwide, data-driven systems of*
3 *learning and behavioral supports for the purpose of meeting the*
4 *needs of California's diverse learners in the most inclusive*
5 *environments possible. The designated county office of education*
6 *or county offices of education shall be selected by the State*
7 *Department of Education and the executive director of the State*
8 *Board of Education from among applicants that submit a detailed*
9 *proposal for how they will effectively meet the criteria described*
10 *in subdivisions (b), (c), and (e). These proposals shall include a*
11 *detailed description of how the designated county office of*
12 *education or county offices of education would use the funds,*
13 *including how much funding it proposes to allocate to local*
14 *educational agencies and charter schools for start-up and*
15 *demonstration grants pursuant to paragraphs (8) and (9) of*
16 *subdivision (c). If two county offices of education apply jointly,*
17 *their application shall describe how their collaboration will not*
18 *result in a duplication of effort. The designated county office of*
19 *education or county offices of education shall encumber or expend*
20 *the funds provided through this section by June 30, 2018.*

21 *(b) The designated county office of education or county offices*
22 *of education shall identify existing evidence-based resources,*
23 *professional development activities, and other efforts currently*
24 *available at the state, federal, and local levels, as well as develop*
25 *new evidence-based resources and activities, designed to help*
26 *local educational agencies and charter schools across the state*
27 *do all the following:*

28 *(1) Implement integrated multi-tiered systems of standards-based*
29 *instruction, interventions, mental health, and academic and*
30 *behavioral supports aligned with accessible instruction and*
31 *curriculum using the principles of universal design, such as*
32 *universal design for learning, established in the state curriculum*
33 *frameworks and local control and accountability plans.*

34 *(2) Provide services that can reduce the need for a pupil's*
35 *referral to special education or placement in more restrictive,*
36 *isolated settings.*

37 *(3) Leverage and coordinate multiple school and community*
38 *resources, including collaborations with local mental health*
39 *agencies to provide school-based mental health services.*

1 (4) *Implement multi-tiered, evidence-based, data-driven school*
2 *districtwide and schoolwide systems of support in both academic*
3 *and behavioral areas including, but not limited to, positive*
4 *behavior interventions and support, restorative justice, bullying*
5 *prevention, social and emotional learning, trauma-informed*
6 *practice, and cultural competency.*

7 (5) *Incorporate the types of practices, services, and efforts*
8 *described in this subdivision into the local control and*
9 *accountability plans of local educational agencies and charter*
10 *schools.*

11 (c) *The designated county office of education or county offices*
12 *of education shall identify and develop the resources and activities*
13 *pursuant to subdivision (b) with the goal of maximizing their*
14 *availability, efficacy, and usage across the state. To achieve this*
15 *goal, the designated county office of education or county offices*
16 *of education shall employ strategies that may include the following:*

17 (1) *Collect and disseminate evidence-based best practices.*

18 (2) *Develop train-the-trainer models and online training*
19 *modules.*

20 (3) *Offer regional conferences and workshops.*

21 (4) *Provide technical assistance to local educational agencies*
22 *and charter schools.*

23 (5) *Develop a network of educators who can provide coaching*
24 *and training to other local educational agencies and charter*
25 *schools.*

26 (6) *Provide stipends for school personnel to attend training*
27 *sessions.*

28 (7) *Develop evaluation tools to measure the effectiveness of*
29 *evidence-based strategies.*

30 (8) *Provide competitive startup grants to help local educational*
31 *agencies and charter schools implement the practices described*
32 *in subdivision (b).*

33 (9) *Provide demonstration grants to local educational agencies*
34 *and charter schools for the purpose of identifying, evaluating,*
35 *learning about, or testing the feasibility of effective approaches,*
36 *for the purposes of informing the other activities and resources*
37 *developed pursuant to this subdivision.*

38 (d) *A local educational agency or charter school that receives*
39 *a grant from the designated county office of education or county*
40 *offices of education, as described in paragraphs (8) and (9) of*

1 subdivision (c), shall, as a condition of receiving the grant, provide
2 to the designated county office of education or county offices of
3 education any available outcome data resulting from the new
4 practices implemented. Such outcome data may include, but is not
5 limited to, changes in rates of suspension or expulsion, discipline
6 referrals, referrals to special education, pupil attendance, incidents
7 of bullying or harassment, graduation rates, dropout rates, and
8 measures of pupil academic achievement.

9 (e) By September 30 of each fiscal year until the designated
10 county office of education or county offices of education have fully
11 expended the funds allocated pursuant to subdivision (a), the
12 designated county office of education or county offices of education
13 shall submit an annual report to the Superintendent of Public
14 Instruction summarizing how the designated county office of
15 education or county offices of education used the funds in the prior
16 fiscal year. The Superintendent of Public Instruction shall provide
17 copies of these reports to the appropriate fiscal and policy
18 committees of the Legislature, the Department of Finance, the
19 State Board of Education, and the Legislative Analyst's Office.
20 Each annual report shall include all of the following:

21 (1) A summary of the activities conducted and resources
22 developed.

23 (2) The number of local educational agencies and charter
24 schools, educators, and pupils served by the activities and
25 resources.

26 (3) A description of effective evidence-based strategies identified
27 for implementing the practices described in subdivision (b).

28 (4) A summary of any data that is available on outcomes
29 resulting from the activities conducted, including any data reported
30 by local educational agencies or charter schools pursuant to
31 subdivision (d). Such outcome data may include, but is not limited
32 to, changes in rates of suspension or expulsion, discipline referrals,
33 referrals to special education, pupil attendance, incidents of
34 bullying or harassment, graduation rates, dropout rates, and
35 measures of pupil academic achievement.

36 (5) Recommendations for improving state-level activities or
37 policies.

38 (f) For purposes of making the computations required by Section
39 8 of Article XVI of the California Constitution, the appropriation
40 made by subdivision (a) shall be deemed to be "General Fund

1 revenues appropriated for school districts,” as defined in
2 subdivision (c) of Section 41202 of the Education Code, for the
3 2014–15 fiscal year, and included within the “total allocation to
4 school districts and community college districts from General
5 Fund proceeds of taxes appropriated pursuant to Article XIII B,”
6 as defined in subdivision (e) of Section 41202 of the Education
7 Code, for the 2014–15 fiscal year.

8 SEC. 58. (a) The sum of five hundred million dollars
9 (\$500,000,000) is hereby appropriated from the General Fund to
10 the Superintendent of Public Instruction for transfer to Section A
11 of the State School Fund for the purposes set forth in subdivisions
12 (b) and (c).

13 (b) Of the funds appropriated pursuant to this section, four
14 hundred ninety million dollars (\$490,000,000) shall be apportioned
15 to school districts, county offices of education, charter schools,
16 and the state special schools in an equal amount per certificated
17 staff in the 2014–15 fiscal year.

18 (1) A school district, county office of education, charter school,
19 or state special school shall expend funds allocated pursuant to
20 this subdivision for any of the following purposes:

21 (A) Beginning teacher and administrator support and mentoring,
22 including, but not limited to, programs that support new teacher
23 and administrator ability to teach or lead effectively and to meet
24 induction requirements adopted by the Commission on Teacher
25 Credentialing and pursuant to Section 44259 of the Education
26 Code.

27 (B) Professional development, coaching, and support services
28 for teachers who have been identified as needing improvement or
29 additional support by local educational agencies.

30 (C) Professional development for teachers and administrators
31 that is aligned to the state content standards adopted pursuant to
32 Sections 51226, 60605, 60605.1, 60605.2, 60605.3, 60605.8,
33 60605.11, 60605.85, as that section read on June 30, 2014, and
34 60811.3, as that section read on June 30, 2013, of the Education
35 Code.

36 (D) To promote educator quality and effectiveness, including,
37 but not limited to, training on mentoring and coaching certificated
38 staff and training certificated staff to support effective teaching
39 and learning.

1 (2) *As a condition of receiving funds allocated pursuant to this*
2 *subdivision, a school district, county office of education, charter*
3 *school, or state special school shall do both of the following:*

4 (A) *Develop and adopt a plan delineating how funds allocated*
5 *pursuant to this section shall be spent. The plan shall be explained*
6 *in a public meeting of the governing board of the school district,*
7 *county board of education, or governing body of the charter school,*
8 *before its adoption in a subsequent public meeting.*

9 (B) *On or before July 1, 2018, report detailed expenditure*
10 *information to the State Department of Education, including, but*
11 *not limited to, specific purchases made and the number of teachers,*
12 *administrators, or paraprofessional educators that received*
13 *professional development. The State Department of Education*
14 *shall determine the format for this report.*

15 (3) *A school district, county office of education, charter school,*
16 *or state special school may expend the funds received pursuant to*
17 *this subdivision over the 2015–16 fiscal year, 2016–17 fiscal year,*
18 *and the 2017–18 fiscal year. It is the intent of the Legislature that*
19 *school districts, county offices of education, charter schools, and*
20 *state special schools coordinate the use of any federal funds*
21 *received under Title II of the federal No Child Left Behind Act of*
22 *2001 (Public Law 107-110) to support teachers and administrators*
23 *with the provisions of this subdivision.*

24 (4) *The State Department of Education shall summarize the*
25 *information reported pursuant to paragraph (2) and shall submit*
26 *the summary to the appropriate budget subcommittees and policy*
27 *committees of the Legislature and to the Department of Finance*
28 *on or before January 1, 2019.*

29 (c) *Of the funds appropriated pursuant to this section, ten*
30 *million dollars (\$10,000,000) shall be provided to the K–12*
31 *High-Speed Network for the purpose of providing professional*
32 *development and technical assistance to local educational agencies*
33 *related to network management.*

34 (1) *Professional development and technical assistance shall*
35 *include training of local educational agency staff, and development*
36 *and distribution of best practices, guidance, and other elements*
37 *of technical support to implement network infrastructure within*
38 *schools and to provide school districts with utilization information*
39 *for optimal decisions.*

1 (2) *The K–12 High-Speed Network may partner with county*
2 *offices of education or other local educational agencies to provide*
3 *statewide access to training and resources.*

4 (d) *Funding apportioned pursuant to this section is subject to*
5 *the annual audits required by Section 41020 of the Education*
6 *Code.*

7 (e) *For purposes of making the computations required by Section*
8 *8 of Article XVI of the California Constitution, the funds*
9 *appropriated pursuant to this section shall be deemed to be*
10 *“General Fund revenues appropriated for school districts,” as*
11 *defined in subdivision (c) of Section 41202 of the Education Code,*
12 *for the 2014–15 fiscal year, and included within the “total*
13 *allocations to school districts and community college districts*
14 *from General Fund proceeds of taxes appropriated pursuant to*
15 *Article XIII B,” as defined in subdivision (e) of Section 41202 of*
16 *the Education Code, for the 2014–15 fiscal year.*

17 SEC. 59. *Commencing with the 2015–16 fiscal year, and for*
18 *every fiscal year thereafter, the Superintendent of Public*
19 *Instruction shall reduce any home-to-school transportation funding*
20 *of the county local control funding formula calculated pursuant*
21 *to Sections 2574 and 2575 of the Education Code allocated to the*
22 *Los Angeles County Superintendent of Schools by two million*
23 *seven hundred eighty-five thousand four hundred forty-eight dollars*
24 *(\$2,785,448), and shall increase the home-to-school transportation*
25 *funding of the school district local control funding formula*
26 *calculated pursuant to Sections 42238.02 and 42238.03 of the*
27 *Education Code in the following amounts for the following school*
28 *districts:*

29 (a) *Two hundred ninety-two thousand three hundred ninety-three*
30 *dollars (\$292,393) for the Azusa Unified School District.*

31 (b) *Five hundred thirty-two thousand three hundred eighty-eight*
32 *dollars (\$532,388) for the Baldwin Park Unified School District.*

33 (c) *One hundred thirty-two thousand six hundred twenty-nine*
34 *dollars (\$132,629) for the Bassett Unified School District.*

35 (d) *Two hundred forty-three thousand five hundred four dollars*
36 *(\$243,504) for the Bonita Unified School District.*

37 (e) *One hundred fifty-two thousand seven hundred forty-six*
38 *dollars (\$152,746) for the Charter Oak Unified School District.*

39 (f) *One hundred ninety-four thousand three hundred eighty-three*
40 *dollars (\$194,383) for the Claremont Unified School District.*

1 (g) *Three hundred eighty-six thousand eight hundred ninety-four*
2 *dollars (\$386,894) for Covina-Valley Unified School District.*

3 (h) *Two hundred forty-four thousand nine hundred eight dollars*
4 *(\$244,908) for the Glendora Unified School District.*

5 (i) *Two hundred eighty thousand four hundred sixty-three dollars*
6 *(\$280,463) for the Walnut Valley Unified School District.*

7 (j) *Three hundred twenty-five thousand one hundred forty dollars*
8 *(\$325,140) for the West Covina Unified School District.*

9 *SEC. 60. The Legislature finds and declares that a special law,*
10 *as set forth in Sections 8 to 13, inclusive, of this act, is necessary*
11 *and that a general law cannot be made applicable within the*
12 *meaning of Section 16 of Article IV of the California Constitution*
13 *because of the unique circumstances concerning the City and*
14 *County of San Francisco.*

15 *SEC. 61. The Legislature finds and declares that a special law,*
16 *as set forth in Section 46 of this act, is necessary and that a general*
17 *law cannot be made applicable within the meaning of Section 16*
18 *of Article IV of the California Constitution because of the unique*
19 *circumstances relating to the fiscal emergency in the Inglewood*
20 *Unified School District.*

21 *SEC. 62. If the Commission on State Mandates determines*
22 *that this act contains costs mandated by the state, reimbursement*
23 *to local agencies and school districts for those costs shall be made*
24 *pursuant to Part 7 (commencing with Section 17500) of Division*
25 *4 of Title 2 of the Government Code.*

26 *SEC. 63. This act is a bill providing for appropriations related*
27 *to the Budget Bill within the meaning of subdivision (e) of Section*
28 *12 of Article IV of the California Constitution, has been identified*
29 *as related to the budget in the Budget Bill, and shall take effect*
30 *immediately.*

31 ~~*SECTION 1. It is the intent of the Legislature to enact statutory*~~
32 ~~*changes relating to the Budget Act of 2015.*~~